

001

Form 3160-3  
(August 1999)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

5. Lease Serial No.  
**U-71417**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.  
**BITTER CREEK 1122-5G**

9. API Well No.  
**43-047-35637**

10. Field and Pool, or Exploratory  
~~BITTER CREEK~~ *Undesignated*

11. Sec., T., R., M., or Blk, and Survey or Area  
**SECTION 5-T11S-R22E**

12. County or Parish  
**UINTAH**

13. State  
**UTAH**

1a. Type of Work:  DRILL  REENTER

b. Type of Well:  Oil Well  Gas Well  Other  Single Zone  Multiple Zone

2. Name of Operator  
**WESTPORT OIL & GAS COMPANY L.P.**

3A. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435)-781-7024**

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)  
At surface **SWNE 2301'FNL & 1964'FEL** *4416662Y 39.89191*  
At proposed prod. Zone *630307X -109 47591*

14. Distance in miles and direction from nearest town or post office\*  
**37.4 MILES SOUTHEAST OF OURAY, UTAH**

15. Distance from proposed\* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)  
**1964'**

16. No. of Acres in lease  
**1520.00**

17. Spacing Unit dedicated to this well  
**40.00**

18. Distance from proposed location\* to nearest well, drilling, completed, applied for, on this lease, ft.  
**REFER TO TOPO C**

19. Proposed Depth  
**8900'**

20. BLM/BIA Bond No. on file  
**CO-1203**

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**5574'UNGRADED GL**

22. Approximate date work will start\*  
**UPON APPROVAL**

23. Estimated duration  
**TO BE DETERMINED**

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.

- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification.
- 6. Such other site specific information and/or plans as may be required by the authorized office.

25. Signature *Sheila Upchego* | Name (Printed/Typed) **SHEILA UPCHEGO** | Date **4/2/2004**

REGULATORY ANALYST  
Approved by (Signature) *Bradley G. Hill* | Name (Printed/Typed) **BRADLEY G. HILL** | Date **04-12-04**  
Title | Office **ENVIRONMENTAL SCIENTIST III**

**Federal Approval of this Action is Necessary**

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

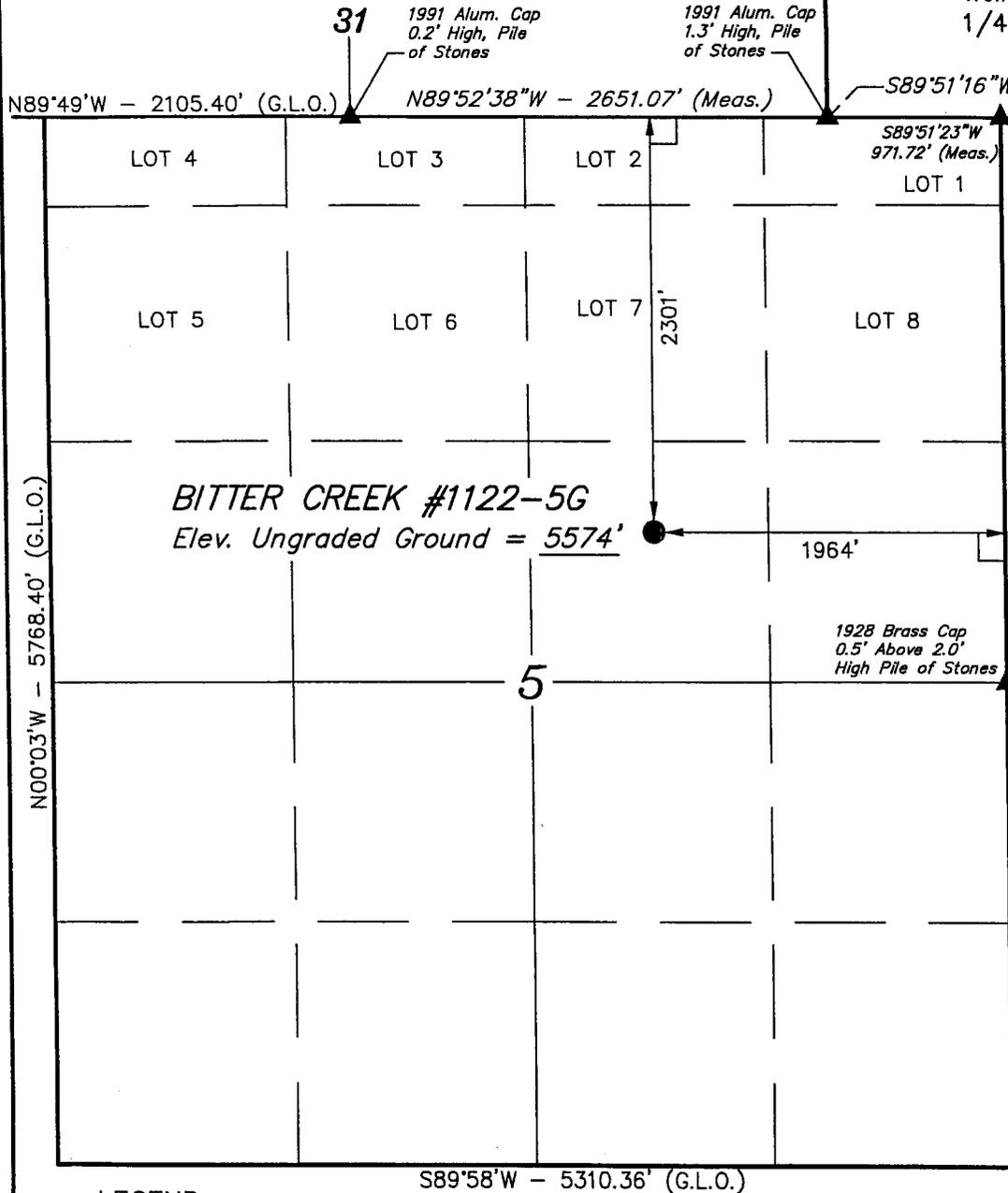
\*(Instructions on reverse)

RECEIVED  
APR 06 2004  
DIV. OF OIL, GAS & MINING

T11S, R22E, S.L.B.&M.

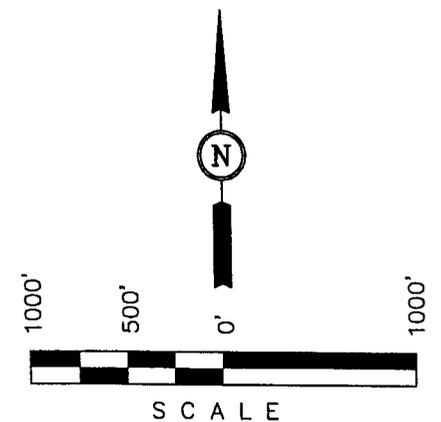
WESTPORT OIL AND GAS COMPANY, L.P.

Well location, BITTER CREEK #1122-5G, located as shown in the SW 1/4 NE 1/4 of Section 5, T11S, R22E, S.L.B.&M. Uintah County, Utah.



31 1991 Alum. Cap 0.2' High, Pile of Stones  
 1991 Alum. Cap 1.3' High, Pile of Stones  
 N89°52'38"W - 2651.07' (Meas.)  
 S89°51'16"W - 2648.27' (Meas.)  
 32 1991 Alum. Cap 0.3' High, Pile of Stones  
 S89°51'23"W 971.72' (Meas.)  
 C.C. 1928 Brass Cap 0.6' Above 2.0' High Pile of Stones  
 T10S  
 T11S  
 BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



CERTIFICATE OF REGISTERED LAND SURVEYOR  
 THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.  
 ROBERT L. [Signature]  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161314  
 STATE OF UTAH

**UINTAH ENGINEERING & LAND SURVEYING**  
 85 SOUTH 200 EAST - VERNAL, UTAH 84078  
 (435) 789-1017

|                           |  |                         |
|---------------------------|--|-------------------------|
| SCALE<br>1" = 1000'       | DATE SURVEYED:<br>02-10-04                 | DATE DRAWN:<br>02-16-04 |
| PARTY<br>J.F. A.F. D.R.B. | REFERENCES<br>G.L.O. PLAT                  |                         |
| WEATHER<br>COLD           | FILE<br>WESTPORT OIL AND GAS COMPANY, L.P. |                         |

**LEGEND:**

- └ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

**BASIS OF BEARINGS**

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.  
 (NAD 83)  
 LATITUDE = 39°53'30.66" (39.891850)  
 LONGITUDE = 109°28'35.28" (109.476467)

**BITTER CREEK #1122-5G  
SW/NE SECTION 5-T11S-R22E  
UINTAH COUNTY, UTAH  
LEASE #U-71417**

**ONSHORE ORDER NO. 1**

***DRILLING PROGRAM***

**1. Estimated Tops of Important Geologic Markers:**

| <u>Formation</u> | <u>Depth</u> |
|------------------|--------------|
| Uinta            | at Surface   |
| Green River      | 865'         |
| Wasatch          | 3845'        |
| Mesaverde        | 6240'        |
| TD               | 8900'        |

**2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

| <u>Substance</u> | <u>Formation</u> | <u>Depth</u> |
|------------------|------------------|--------------|
| Gas              | Uinta            | at Surface   |
| Gas              | Green River      | 865'         |
| Gas              | Wasatch          | 3845'        |
| Gas              | Mesaverde        | 6240'        |
| Water            | N/A              |              |
| Other Minerals   | N/A              |              |

**3. Pressure Control Equipment (Schematic Attached)**

The BOP stack will consist of one 11" 3,000 psi annular BOP, one 11" 3,000 psi double ram, and one 11' drilling spool. The lower ram will contain pipe rams, and the upper ram will contain blind rams.

The choke and kill lines and the choke manifold will have a 3,000 psi minimum pressure rating.

The hydrill will be tested to 1,500 psi. The rams, choke manifold, kelly safety valves, drill string safety valves, and inside BOP will be tested to 2,000 psi.

4. **Proposed Casing & Cementing Program:**

*Please see the attached Drilling Program.*

5. **Drilling Fluids Program:**

*Please see the attached Mud Program.*

6. **Evaluation Program:**

*Please see the attached Geological Data.*

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 8,900' TD, approximately equals 3,560 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1,602 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).





**Westport Oil and Gas Company, L.P.**  
**DRILLING PROGRAM**

**CASING PROGRAM**

|            | SIZE   | INTERVAL  | WT.   | GR.          | CPLG. | DESIGN FACTORS |          |         |
|------------|--------|-----------|-------|--------------|-------|----------------|----------|---------|
|            |        |           |       |              |       | BURST          | COLLAPSE | TENSION |
| CONDUCTOR  | 16"    | 0-20'     |       |              |       | 2270           | 1370     | 254000  |
| SURFACE    | 9-5/8" | 0 to 2000 | 32.30 | H-40         | STC   | 0.85*****      | 1.46     | 4.49    |
| PRODUCTION | 4-1/2" | 0 to 8900 | 11.60 | M-80 or I-80 | LTC   | 7780           | 6350     | 201000  |
|            |        |           |       |              |       | 2.91           | 1.37     | 2.23    |

- 1) Max Anticipated Surf. Press. (MASP) (Surface Casing) = (Pore Pressure at next csg point - (0.22 psi/ft-partial evac gradient x TVD of next csg point))  
 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)  
 (Burst Assumptions: TD = 10.0 ppg) .22 psi/ft = gradient for partially evac wellbore  
 (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)  
 MASP 2670 psi

\*\*\*\*\* Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

**CEMENT PROGRAM**

|                 |                 | FT. OF FILL | DESCRIPTION  | SACKS   | EXCESS | WEIGHT | YIELD |
|-----------------|-----------------|-------------|--|---------|--------|--------|-------|
| SURFACE         | LEAD            | 500         | Premium cmt + 2% CaCl + .25 pps flocele  | 215     | 60%    | 15.60  | 1.18  |
| <b>Option 1</b> | TOP OUT CMT (1) | 200         | 20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele                          | 50      |        | 15.60  | 1.18  |
|                 | TOP OUT CMT (2) | as required | Premium cmt + 2% CaCl  | as req. |        | 15.60  | 1.18  |
| SURFACE         |                 |             | <b>NOTE: If well will circulate water to surface, option 2 will be utilized</b>            |         |        |        |       |
| <b>Option 2</b> | LEAD            | 1500        | Prem cmt + 18% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC                     | 170     | 35%    | 11.00  | 3.82  |
|                 | TAIL            | 500         | Premium cmt + 2% CaCl + .25 pps flocele  | 180     | 35%    | 15.60  | 1.18  |
|                 | TOP OUT CMT     | as required | Premium cmt + 2% CaCl  | as req. |        | 15.60  | 1.18  |
| PRODUCTION      | LEAD            | 3,340'      | Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender | 370     | 60%    | 11.00  | 3.38  |
|                 | TAIL            | 5,560'      | 50/50 Poz/G + 10% salt + 2% gel + .1% R-3  | 1550    | 60%    | 14.30  | 1.31  |

- \*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained  
 \*Substitute caliper hole volume plus 15% excess for TAIL if accurate caliper is obtained

**FLOAT EQUIPMENT & CENTRALIZERS**

|            |   |
|------------|---|
| SURFACE    | Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.               |
| PRODUCTION | Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with spring centralizers. |

**ADDITIONAL INFORMATION**

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.  
 BOPE: 11" 3M with one annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.  
 Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

DRILLING ENGINEER: \_\_\_\_\_ DATE: \_\_\_\_\_  
 Brad Laney  
 DRILLING SUPERINTENDENT: \_\_\_\_\_ DATE: \_\_\_\_\_  
 Randy Bayne  
 DHD\_BITTERCREEK1122-5G\_APD

**BITTER CREEK #1122-5G  
SW/NE SECTION 5-T11S-R22E  
Uintah County, UT  
LEASE #U-71417**

**ONSHORE ORDER NO. 1**

***MULTI-POINT SURFACE USE & OPERATIONS PLAN***

**1. Existing Roads:**

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

**2. Planned Access Roads:**

Approximately 100' +/- of access road is proposed for the subject well location . Please Refer to Topo Map B.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

**3. Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

**4. Location of Existing & Proposed Facilities:**

*The following guidelines will apply if the well is productive.*

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain

fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon (2.5 Y 6/2) as determined during the on-site inspection.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Approximately 100' +/- of pipeline is proposed. Up to 8" of pipeline shall be Butt Welded. Please Refer to the attached Topo D Map.

**5. Location and Type of Water Supply:**

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

**6. Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

**7. Methods of Handling Waste Materials:**

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

*Any produced water from the proposed well will be contained in a water tank and will then be hauled truck to one of the pre-approved disposal sites: RNI, Sec.5-T9S-R22E, NBU #159, Sec.35-T9S-R21E, Ace Oilfield, Sec.2-T6S-R20E, MC&MC, Sec.12-T6S-R19E., (Requests in lieu of filing Form 3160-5 after initial production).*

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner will be used, it will be a minimum of 16 mil thick, with sufficient bedding used to cover any rocks (Felt & Straw). The liner will overlap the pit walls and be covered with dirt and/or to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

**8. Ancillary Facilities:**

None are anticipated.

**9. Well Site Layout: (See Location Layout Diagram)**

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s). Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling of the well due to the current rig availability. If the Proposed location is not large enough to accommodate the drilling rig, the location will be re-surveyed and a form 3160-5 will be submitted.

10. **Plans for Reclamation of the Surface:**

*Producing Location:*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

If a plastic, nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

*Dry Hole/Abandoned Location:*

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment.

Reseeding operations will be performed after completion of other reclamation operations with the following seed mixture, as discussed during the on-site inspection:

|                       |            |
|-----------------------|------------|
| Wyoming Big Sage      | 1 lbs/acre |
| Indian Rice Grass     | 4 lbs/acre |
| Shade Scale           | 3 lbs/acre |
| Needle & Thread Grass | 4 lbs/acre |

11. **Surface Ownership:**

Bureau of Land Management  
Vernal District Office  
170 South 500 East  
Vernal, Utah 84078  
(435) 781-4400

12. **Other Information:**

**WILDLIFE STIP:**

***SAGE GROUSE: NO CONSTRUCTION – MARCH 15<sup>TH</sup> THROUGH JUNE 15<sup>TH</sup>.***

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey has been conducted by MOAC. A copy of this report is attached.

13. **Lessee's or Operators's Representative & Certification:**

Sheila Upchego  
Regulatory Analyst  
Westport Oil & Gas Company L.P.  
P.O. Box 1148  
Vernal, UT 84078  
(435) 781-7024

Randy Bayne  
Drilling Manager  
Westport Oil & Gas Company L.P.  
P.O. Box 1148  
Vernal, UT 84078  
(435) 781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Westport Oil & Gas Company L.P., is considered to be the operator of the subject well. Westport Oil & Gas Company L.P., agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by BLM Nationwide Bond #CO-1203.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

  
Sheila Upchego

4/2/04  
\_\_\_\_\_  
Date

WESTPORT OIL AND GAS COMPANY, L.P.  
BITTER CREEK #1122-5G  
SECTION 5, T11S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 10.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 2.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY, DIRECTION APPROXIMATELY 100' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 55.3 MILES.

**WESTPORT OIL AND GAS COMPANY, L.P.**  
**BITTER CREEK #1122-5G**  
 LOCATED IN UINTAH COUNTY, UTAH  
 SECTION 5, T11S, R22E, S.L.B.&M.

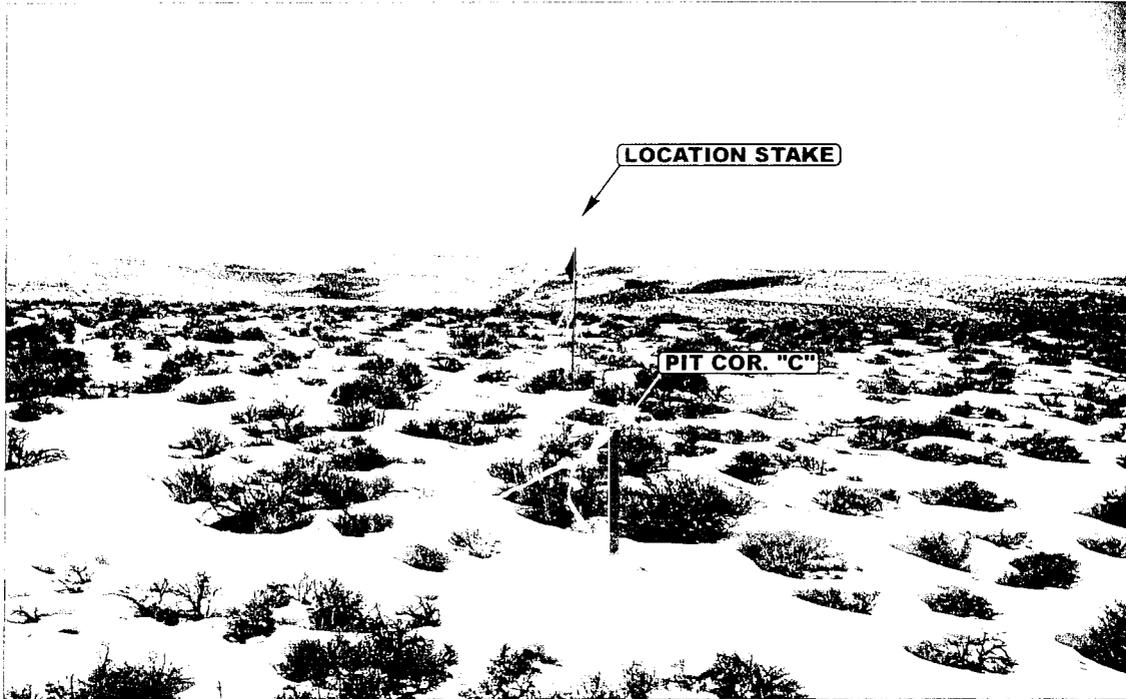


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY

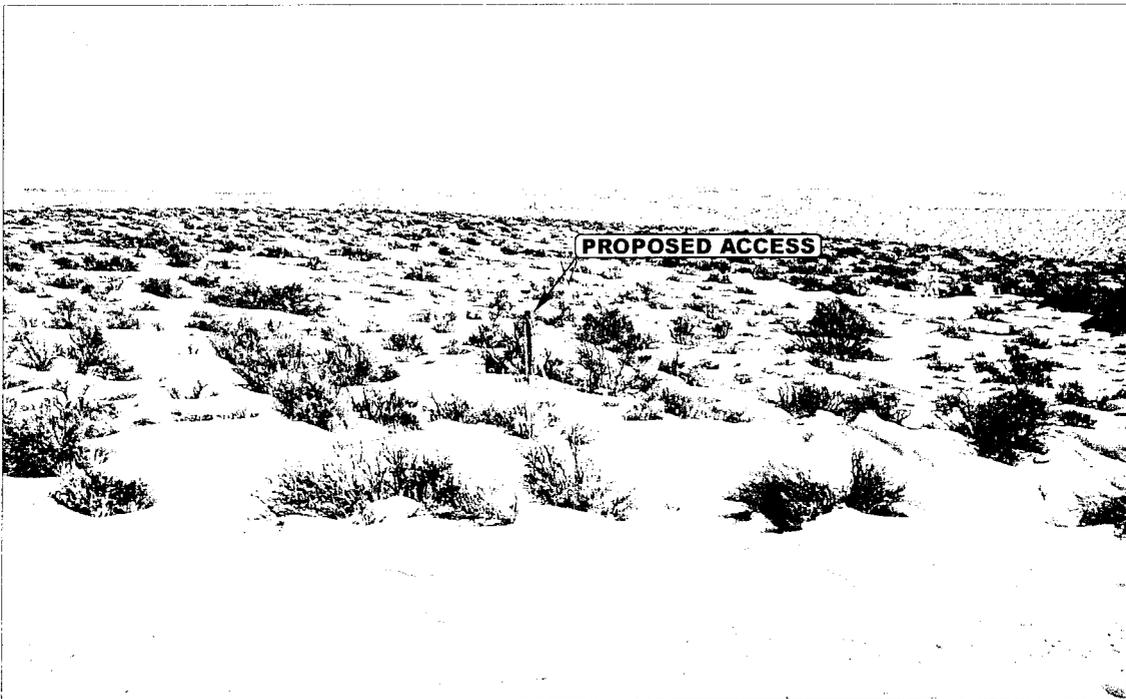


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY

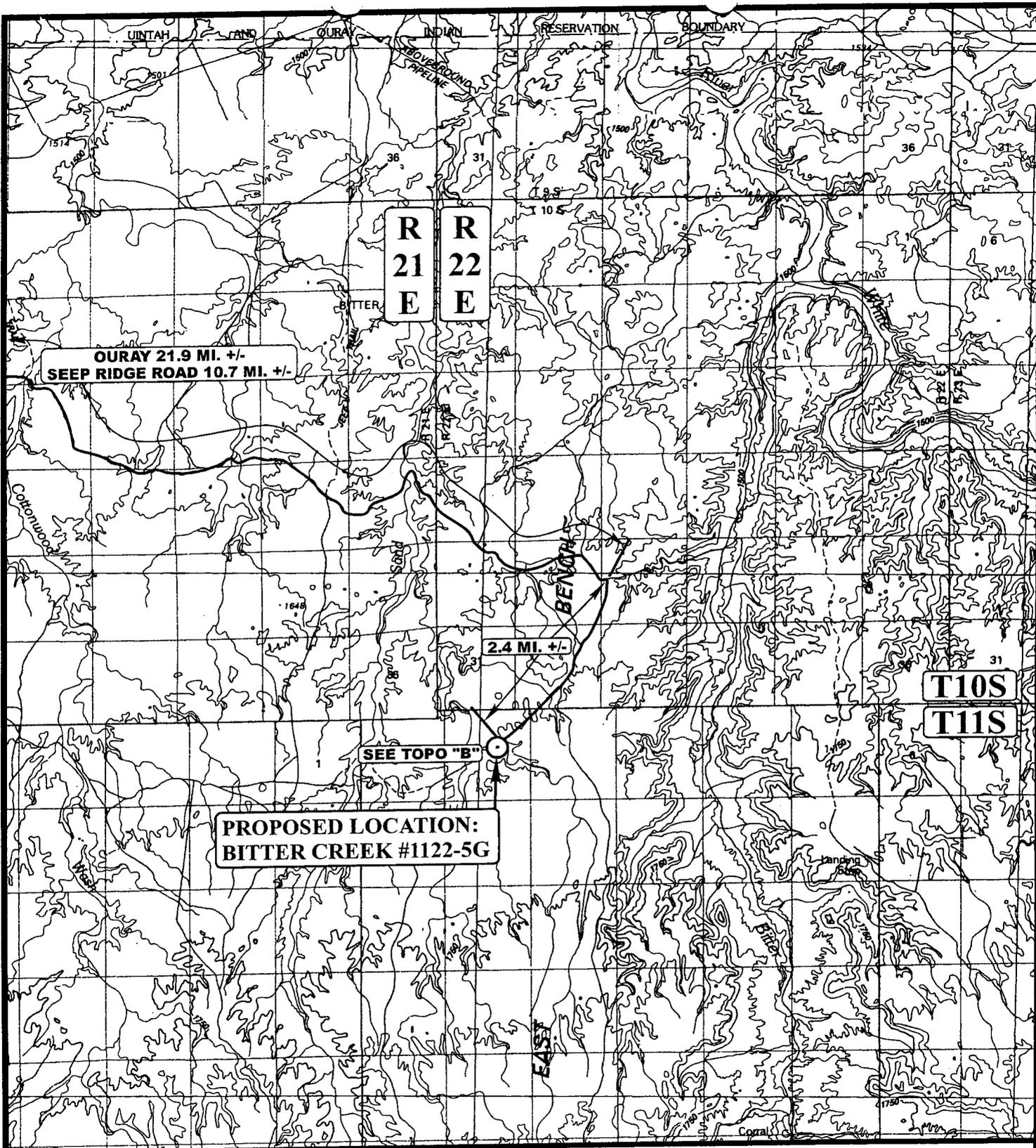


**E&L S**

Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 435-789-1017 uels@uelsinc.com

- Since 1964 -

|                 |                |                   |       |     |      |       |
|-----------------|----------------|-------------------|-------|-----|------|-------|
| LOCATION PHOTOS |                |                   | 02    | 11  | 04   | PHOTO |
|                 |                |                   | MONTH | DAY | YEAR |       |
| TAKEN BY: J.F.  | DRAWN BY: T.H. | REVISED: 00-00-00 |       |     |      |       |



**LEGEND:**

○ PROPOSED LOCATION



**WESTPORT OIL AND GAS COMPANY, L.P.**

**BITTER CREEK #1122-5G**  
**SECTION 5, T11S, R22E, S.L.B.&M.**  
**2301' FNL 1964' FEL**

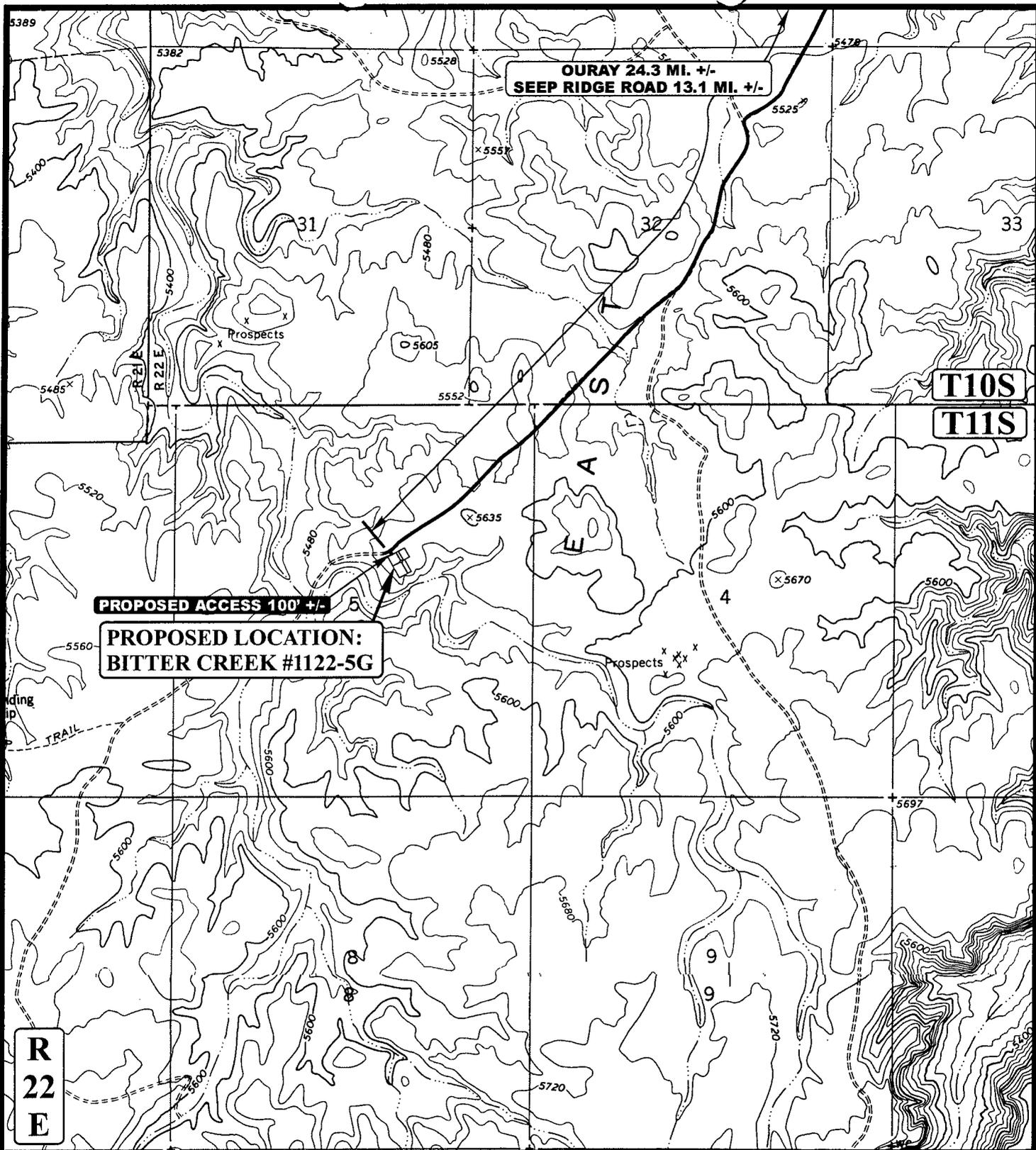


**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** 02 11 04  
**MAP** MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: T.H. REVISED: 00-00-00





**LEGEND:**

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD



**WESTPORT OIL AND GAS COMPANY, L.P.**

**BITTER CREEK #1122-5G**  
**SECTION 5, T11S, R22E, S.L.B.&M.**  
**2301' FNL 1964' FEL**

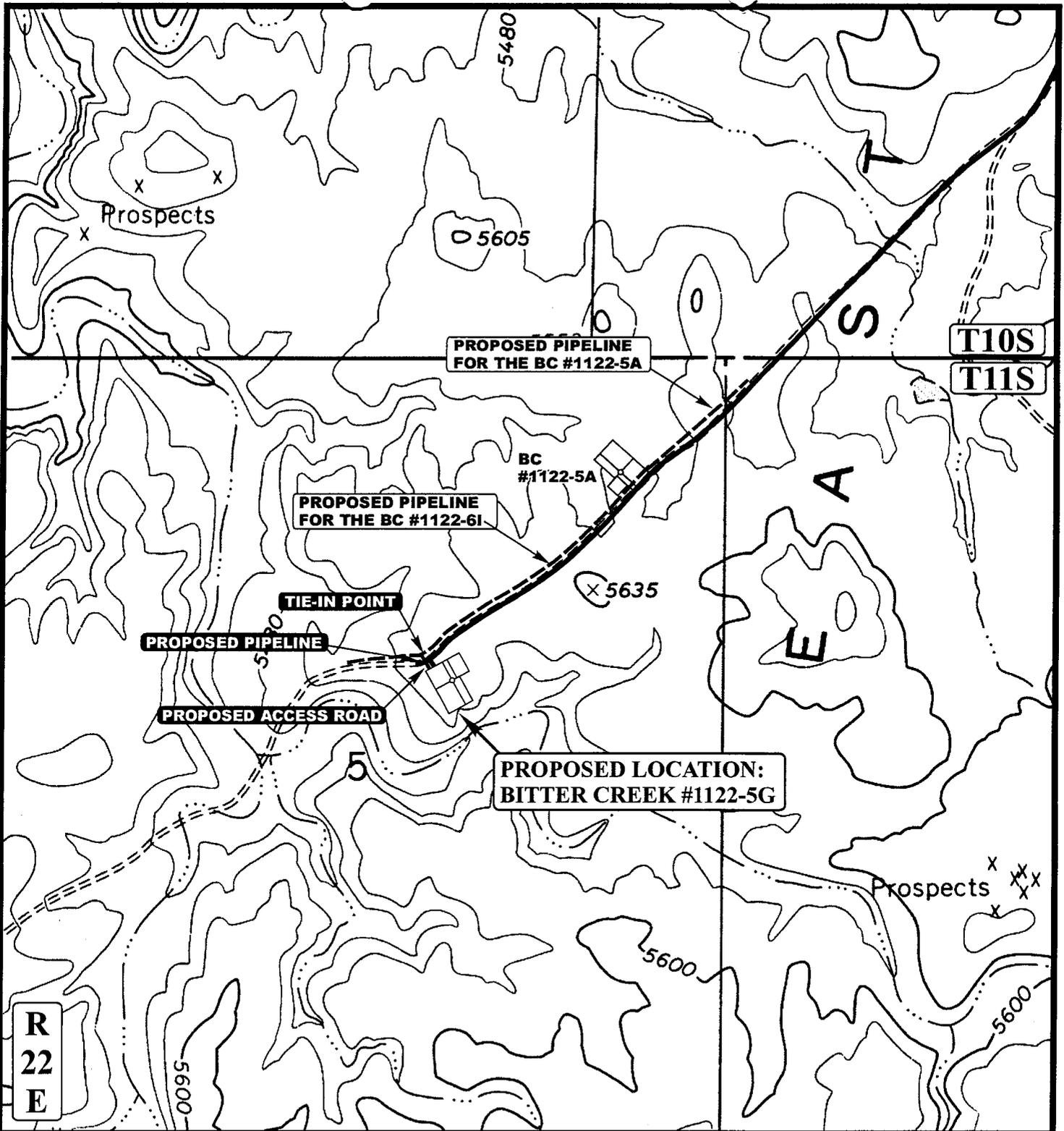


**Utah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** 02 11 04  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: T.H. REVISED: 00-00-00







APPROXIMATE TOTAL PIPELINE DISTANCE = 100' +/-

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE



**WESTPORT OIL AND GAS COMPANY, L.P.**

**BITTER CREEK #1122-5G**  
**SECTION 5, T11S, R22E, S.L.B.&M.**  
**2301' FNL 1964' FEL**



**Utah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

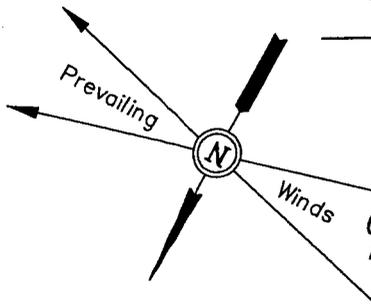
**TOPOGRAPHIC** 02 11 04  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: T.H. REVISED: 00-00-00



WESTPORT OIL AND GAS COMPANY, L.P.

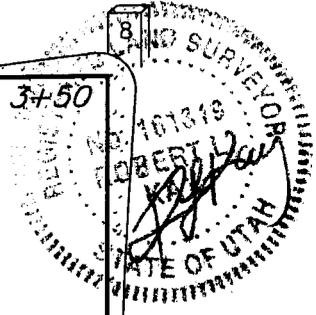
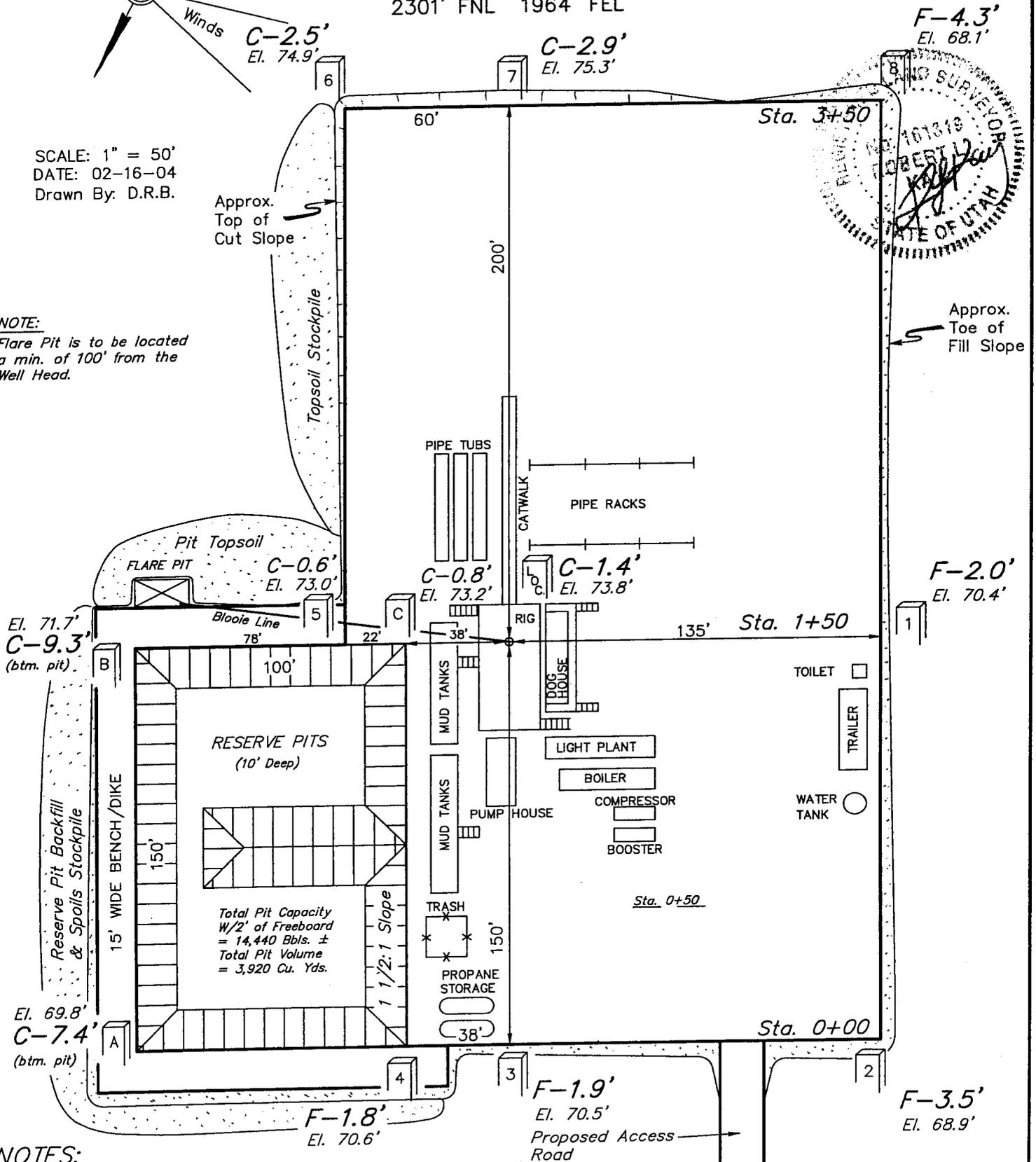
FIGURE #1

LOCATION LAYOUT FOR  
BITTER CREEK #1122-5G  
SECTION 5, T11S, R22E, S.L.B.&M.  
2301' FNL 1964' FEL



SCALE: 1" = 50'  
DATE: 02-16-04  
Drawn By: D.R.B.

NOTE:  
Flare Pit is to be located  
a min. of 100' from the  
Well Head.



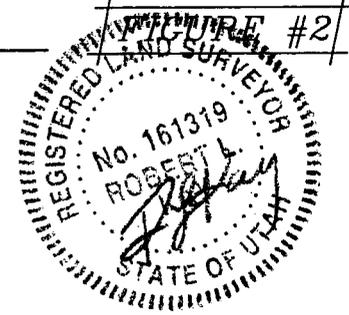
NOTES:

Elev. Ungraded Ground At Loc. Stake = 5573.8'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5572.4'

WESTPORT OIL AND GAS COMPANY, L.P.

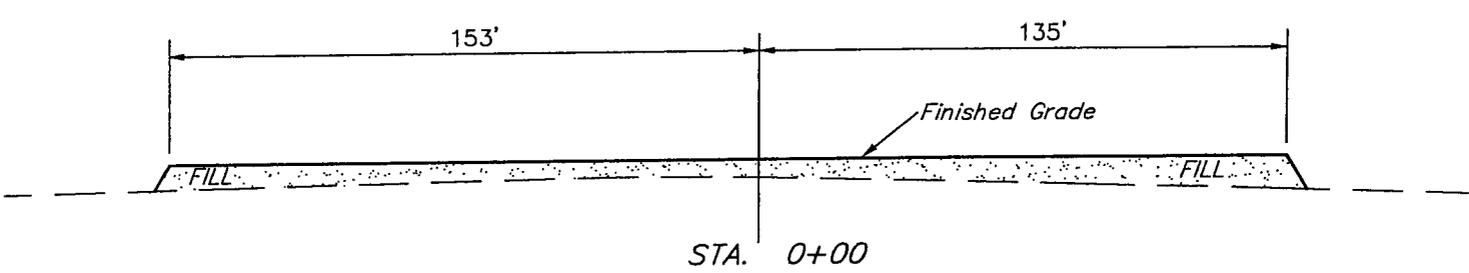
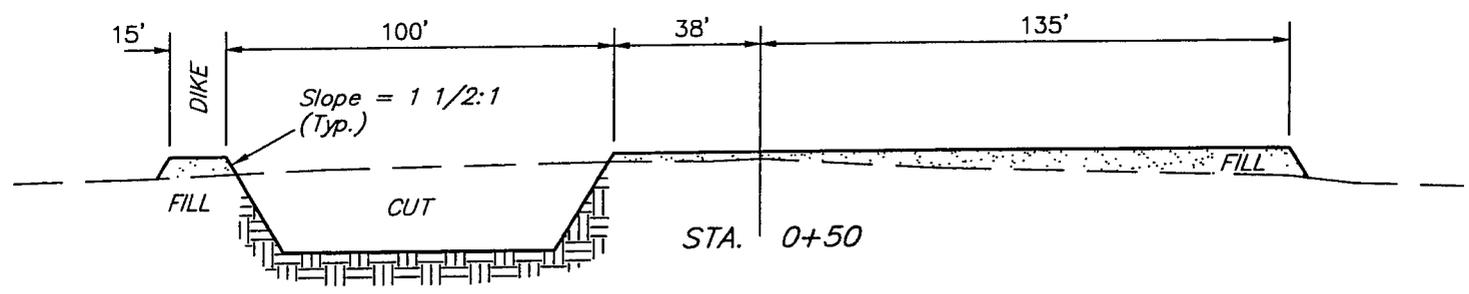
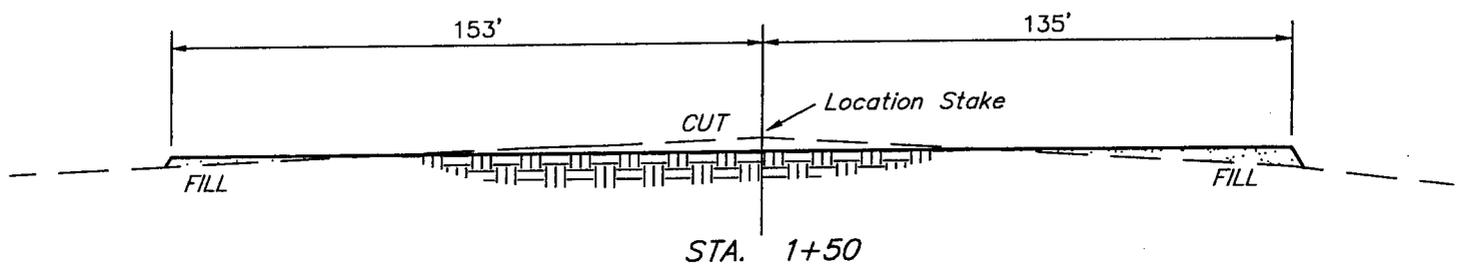
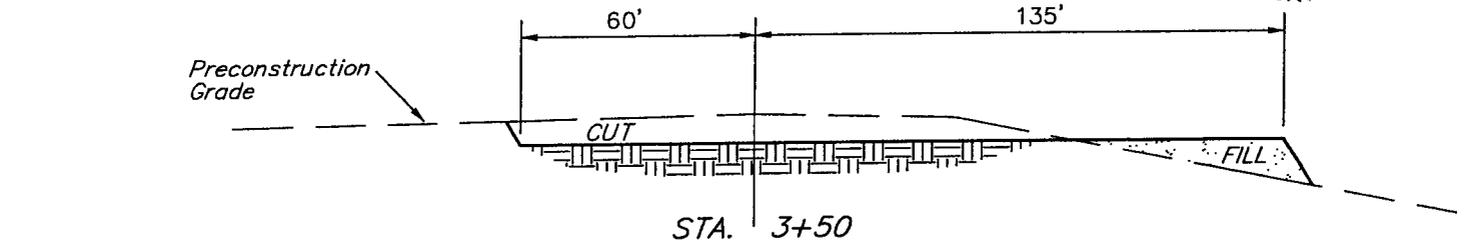
TYPICAL CROSS SECTIONS FOR

BITTER CREEK #1122-5G  
SECTION 5, T11S, R22E, S.L.B.&M.  
2301' FNL 1964' FEL



1" = 20'  
X-Section Scale  
1" = 50'

DATE: 02-16-04  
Drawn By: D.R.B.



APPROXIMATE YARDAGES

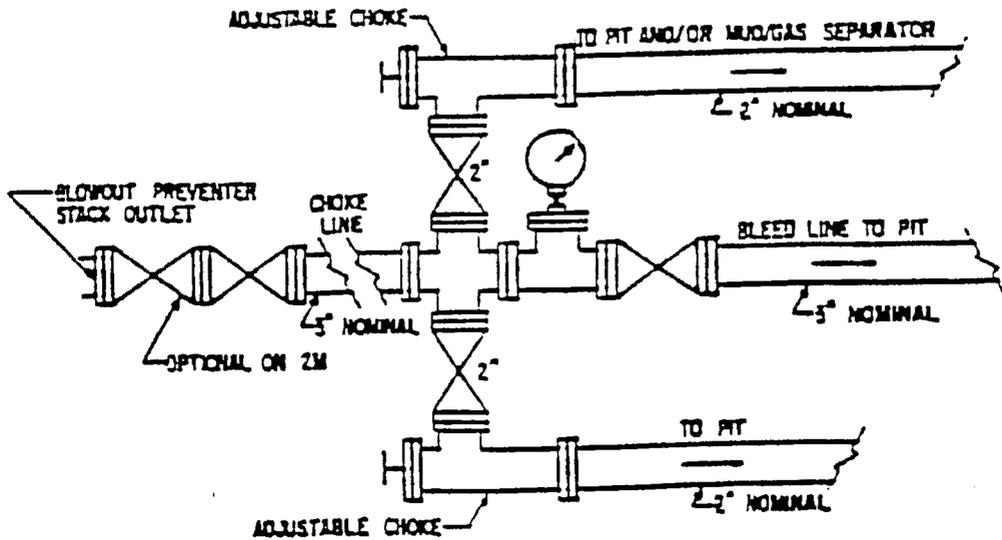
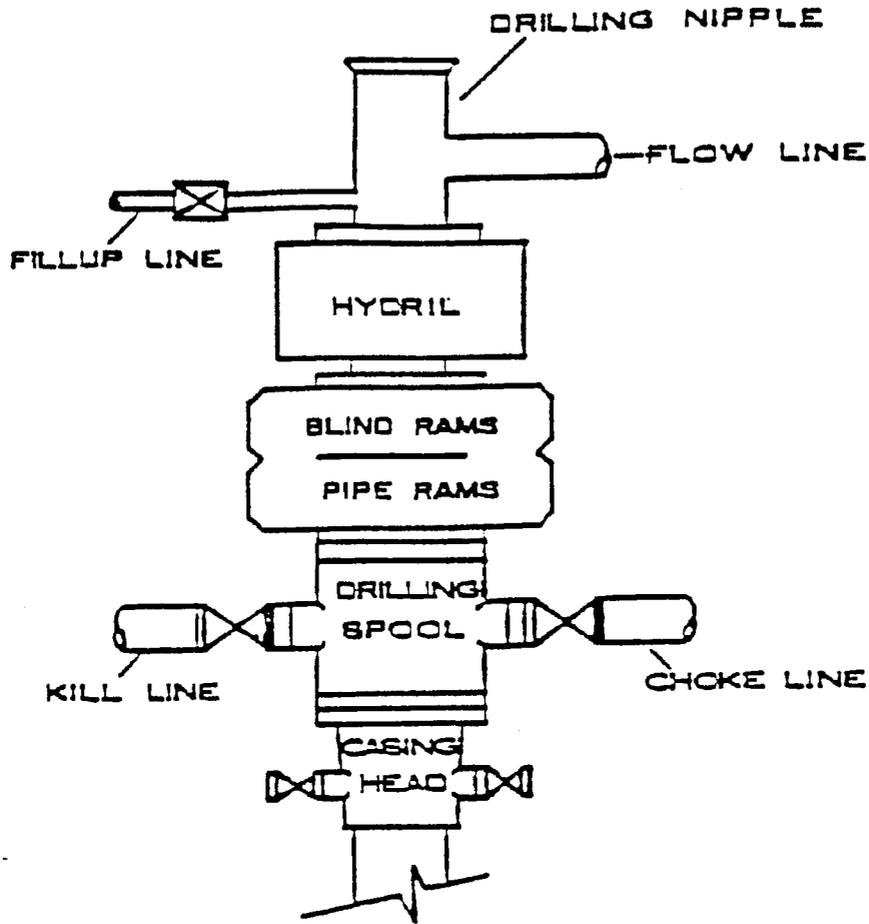
|                        |                        |
|------------------------|------------------------|
| CUT                    |                        |
| (6") Topsoil Stripping | = 1,590 Cu. Yds.       |
| Remaining Location     | = 4,910 Cu. Yds.       |
| <b>TOTAL CUT</b>       | <b>= 6,500 CU.YDS.</b> |
| <b>FILL</b>            | <b>= 2,800 CU.YDS.</b> |

|   |                  |
|---|------------------|
| EXCESS MATERIAL AFTER 5% COMPACTION     | = 3,550 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.)   | = 3,550 Cu. Yds. |
| EXCESS UNBALANCE (After Rehabilitation) | = 0 Cu. Yds.     |

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

3,000 PSI

# BOP STACK



WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/06/2004

API NO. ASSIGNED: 43-047-35637

WELL NAME: BITTER CREEK 1122-5G  
OPERATOR: WESTPORT OIL & GAS CO ( N2115 )  
CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

SWNE 05 110S 220E  
SURFACE: 2301 FNL 1964 FEL  
BOTTOM: 2301 FNL 1964 FEL  
UINTAH  
UNDESIGNATED ( 2 )

| INSPECT LOCATN BY: / / |          |      |
|------------------------|----------|------|
| Tech Review            | Initials | Date |
| Engineering            |          |      |
| Geology                |          |      |
| Surface                |          |      |

LEASE TYPE: 1 - Federal  
LEASE NUMBER: U-71417  
SURFACE OWNER: 1 - Federal  
PROPOSED FORMATION: MVRD  
COALBED METHANE WELL? NO

LATITUDE: 39.89191  
LONGITUDE: 109.47591

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. CO-1203 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 43-8496 )
- RDCC Review (Y/N)  
(Date: )
- Fee Surf Agreement (Y/N)

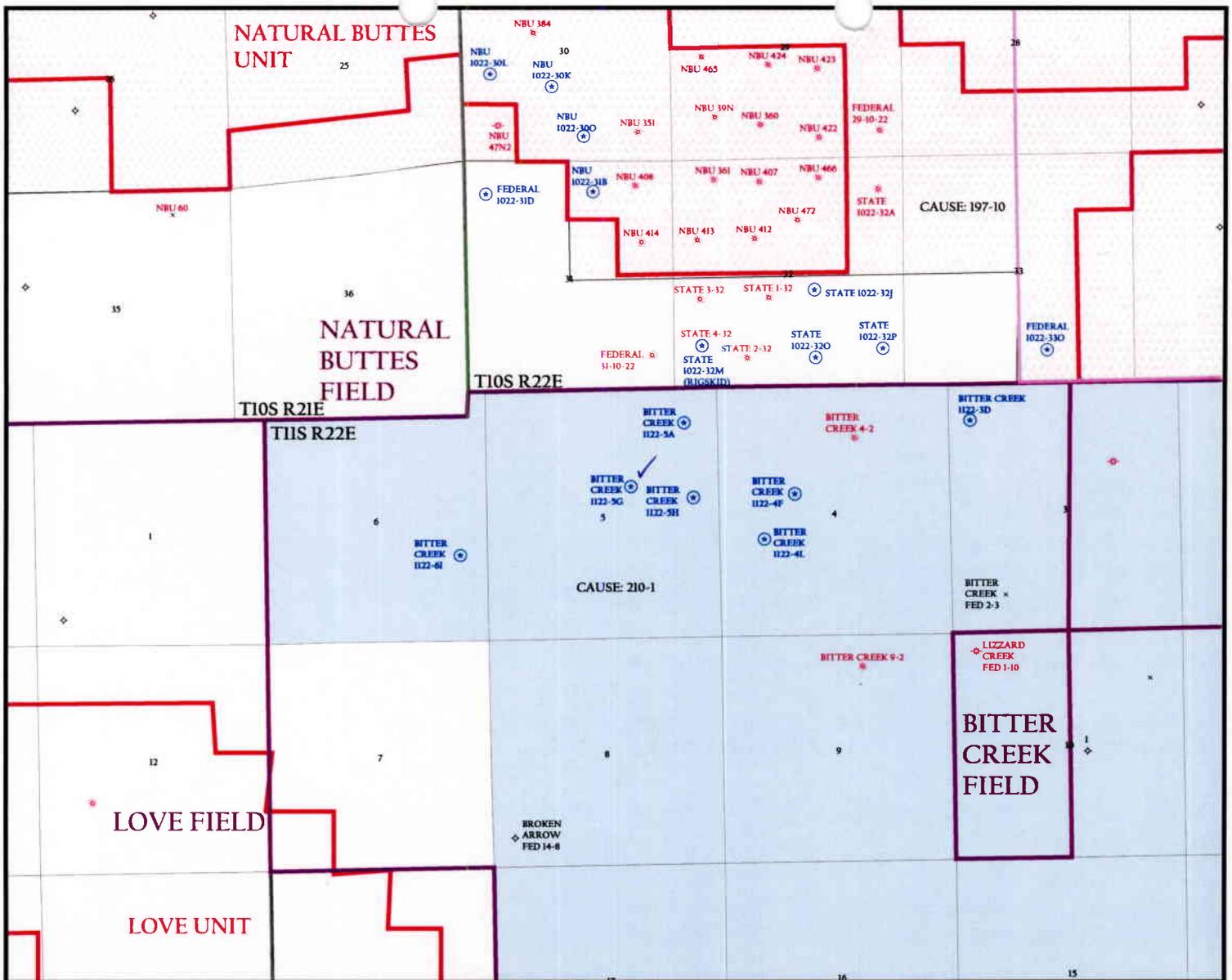
LOCATION AND SITING:

- R649-2-3.
- Unit \_\_\_\_\_
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit  
Board Cause No: 210-1  
Eff Date: 7-26-84  
Siting: NE 1/4 or SW 1/4 500' fr 1/4 Sec boundary
- R649-3-11. Directional Drill

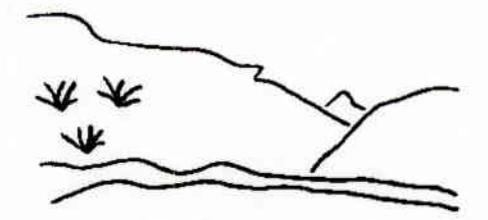
COMMENTS:

STIPULATIONS:

*1-Federal Approval*



**OPERATOR: WESTPORT O&G CO (N2115)**  
**SEC. 5 T.11S, R.22E**  
**FIELD: UNDESIGNATED (002)**  
**COUNTY: UINTAH**  
**CAUSE: 210-1 / 7-26-1984**



Utah Oil Gas and Mining

**Well Status**

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

**Unit Status**

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

**Field Status**

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



**PREPARED BY: DIANA WHITNEY**  
**DATE: 9-APRIL-2004**



State of Utah

Department of  
Natural Resources

Division of  
Oil, Gas & Mining

ROBERT L. MORGAN  
*Executive Director*

LOWELL P. BRAXTON  
*Division Director*

MICHAEL O. LEAVITT  
*Governor*

OLENE S. WALKER  
*Lieutenant Governor*

April 12, 2004

Westport Oil & Gas Company L.P.  
1368 S 1200 E  
Vernal, UT 84078

Re: Bitter Creek 1122-5G Well, 2301' FNL, 1964' FEL, SW NE, Sec. 5,  
T. 11 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35637.

Sincerely,

John R. Baza  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office

**Operator:** Westport Oil & Gas Company L.P.  
**Well Name & Number** Bitter Creek 1122-5G  
**API Number:** 43-047-35637  
**Lease:** U-71417

**Location:** SW NE                      **Sec.** 5                      **T.** 11 South                      **R.** 22 East

### Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

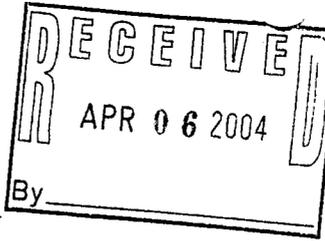
- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT



FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

005

APPLICATION FOR PERMIT TO DRILL OR REENTER

|   |   |  |
|---|---|--|
| 1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER  |   | 5. Lease Serial No.<br><b>U-76041</b>  |
| b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone |   | 6. If Indian, Allottee or Tribe Name   |
| 2. Name of Operator<br><b>WESTPORT OIL &amp; GAS COMPANY L.P.</b>   |   | 7. If Unit or CA Agreement, Name and No.                                       |
| 3a. Address<br><b>1368 SOUTH 1200 EAST VERNAL, UT 84078</b>   | 3b. Phone No. (include area code)<br><b>(435)-781-7024</b>    | 8. Lease Name and Well No.<br><b>BITTER CREEK 1122-5G</b>                      |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *)<br>At surface <b>SWNE 2301'FNL &amp; 1964'FEL</b><br>At proposed prod. Zone  |   | 9. API Well No.<br><b>43-047-35637</b>   |
| 14. Distance in miles and direction from nearest town or post office*<br><b>37.4 MILES SOUTHEAST OF OURAY, UTAH</b>   |   | 10. Field and Pool, or Exploratory<br><b>BITTER CREEK</b>                      |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)<br><b>1964'</b>   | 16. No. of Acres in lease<br><b>1520.00</b>                   | 11. Sec., T., R., M., or Blk, and Survey or Area<br><b>SECTION 5-T11S-R22E</b> |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.<br><b>REFER TO TOPO C</b>  | 19. Proposed Depth<br><b>8900'</b>                            | 12. County or Parish<br><b>UINTAH</b>  |
| 20. BLM/BIA Bond No. on file<br><b>CO-1203</b>  | 17. Spacing Unit dedicated to this well<br><b>40.00</b>       | 13. State<br><b>UTAH</b>   |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.)<br><b>5574'UNGRADED GL</b>  | 22. Approximate date work will start*<br><b>UPON APPROVAL</b> | 23. Estimated duration<br><b>TO BE DETERMINED</b>                              |

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>1. Well plat certified by a registered surveyor.</li> <li>2. A Drilling Plan.</li> <li>3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.</li> </ul> | <ul style="list-style-type: none"> <li>4. Bond to cover the operations unless covered by a bonding company file (see Item 20 above).</li> <li>5. Operator certification.</li> <li>6. Such other site specific information and/or plans as may be required by the authorized office.</li> </ul> |
|---|--|

RECEIVED

DEC 06 2004

DIV. OF OIL, GAS & MINING

|   |   |                           |
|---|---|---------------------------|
| 25. Signature<br>   | Name (Printed/Typed)<br><b>SHEILA UPCHEGO</b> | Date<br><b>4/5/2004</b>   |
| Title<br><b>REGULATORY ANALYST</b>                            |   |                           |
| Approved by (Signature)<br>                                   | Name (Printed/Typed)                          | Date<br><b>11/10/2004</b> |
| Title<br><b>Assistant Field Manager<br/>Mineral Resources</b> | Office  |                           |

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

UDOGM

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

04.LW2536AE

MS 03/4/04

**CONDITIONS OF APPROVAL**  
**APPLICATION FOR PERMIT TO DRILL**

Company/Operator: Westport Oil and Gas Company LP.  
Well Name & Number: Bitter Creek 1122-5G  
Lease Number: U-71417  
API Number: 43-047-35637  
Location: SWNE Sec. 5 T.11S R. 22E  
Agreement: N/A

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

**CONDITIONS OF APPROVAL**

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to John Mayers of this office prior to setting the next casing string or requesting plugging orders. Faxed copies of State of Utah form OGC-8-X are acceptable.

2.

None

3. Casing Program and Auxiliary Equipment

As a minimum requirement, the cement behind the production casing must extend at least 200' above the top of the surface casing shoe.

4. Mud Program and Circulating Medium

None

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

A cement bond log must be run from the intermediate casing shoe to the top of cement or the surface casing shoe, whichever is lower.

**Please submit to this office, in LAS format, an electronic copy of all logs run on this well. This submission will replace the requirement for submittal of paper logs to the BLM.**

6. Notifications of Operations

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

7. Other Information

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman (435) 828-7874  
Petroleum Engineer

Kirk Fleetwood (435) 828-7875  
Petroleum Engineer

BLM FAX Machine (435) 781-4410

**CONDITIONS OF APPROVAL**  
For The Surface Use Program Of The  
Application For Permit To Drill

|                     |                          |                           |
|---------------------|--------------------------|---------------------------|
| Company/Operator:   | Westport Oil and Gas     | API Number: 43-047-35637  |
| Well Name & Number: | 1122-5G                  | Surface Ownership: BLM    |
| Lease Number:       | UTU71417                 | Date NOS Received: 3/4/04 |
| Location:           | SWNE, Sec. 5, T11S, R22E | Date APD Received: 4/6/04 |

- If any paleontological or cultural materials are encountered, stop work immediately and report the find to this office.
- No construction or drilling may occur from March 15 through June 20 to protect pronghorn antelope kidding season and sage grouse strutting/nesting season.
- The seed mix for this location shall be:

|                        |  |             |
|------------------------|--|-------------|
| Indian Ricegrass       | <i>Achnatherum hymenoides</i>            | 4 lbs./acre |
| Shadscale              | <i>Atriplex confertifolia</i>            | 3 lbs./acre |
| Wyoming big sage       | <i>Artemisia tridentata ssp. Wyoming</i> | 1 lbs./acre |
| Needle and Threadgrass | <i>Hesperostipa comata ssp. comata</i>   | 4 lbs./acre |

  - All pounds are in pure live seed.
  - Reseeding may be required if first seeding is not successful.
- 4 to 6 inches of topsoil should be stripped from the location and windrowed as shown on the cut sheet. The topsoil shall then be broadcast seeded with the recommended seed mix immediately after it has been windrowed and the seed walked into the soil with a dozer.
- The topsoil from the reserve pit should be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be recontoured to natural contours, topsoil respread where appropriate, and the entire location seeded with the recommended seed mix. Seeding should take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.

Form 3160-5  
(August 1999)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.  
**U-78044 U-71417**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
**BITTER CREEK 1122-5G**

9. API Well No.  
**43-047-35637**

10. Field and Pool, or Exploratory Area

11. County or Parish, State  
**UINTAH, UTAH**

006

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**WESTPORT OIL & GAS COMPANY, L.C.**

3a. Address **1368 SOUTH 1200 EAST, VERNAL, UTAH 84078** 3b. Phone No. (include area code) **435-781-7060**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**2301' FNL 1964' FEL  
SWNE SEC 5-T11S-R22E**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION                                | TYPE OF ACTION                                |   |  |  |
|---|---|---|--|--|
| <input type="checkbox"/> Notice of Intent         | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off                        |
| <input type="checkbox"/> Subsequent Report        | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                        |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other <b>APD EXTENSION</b> |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |  |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |  |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

The operator requests that the APD be extended for an additional year so that drilling operations may be completed.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: **04-18-05**  
By: *[Signature]*

COPY SENT TO OPERATOR  
Date: **4-20-05**  
Initials: **CHD**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed) **DEBRA DOMENICI**

Title **ASSOCIATE ENVIRONMENTAL ANALYST**

Signature *[Signature]*

Date **April 15, 2005**

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 43-047-35637  
**Well Name:** BITTER CREEK 1122-5G  
**Location:** SWNE SEC 5-T11S-R22E  
**Company Permit Issued to:** WESTPORT OIL & GAS COMPANY, L.P.  
**Date Original Permit Issued:** 4/12/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes  No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes  No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes  No

Has the approved source of water for drilling changed? Yes  No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes  No

Is bonding still in place, which covers this proposed well? Yes  No

  
Signature

4/15/2005

Date

Title: ASSOCIATE ENVIRONMENTAL ANAL

Representing: WESTPORT OIL & GAS COMPANY, L.P.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

OCT 19 2005

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

|  |
|--|
| 5. Lease Serial No.<br><b>U-76041</b>                          |
| 6. If Indian, Allottee or Tribe Name                           |
| 7. If Unit or CA/Agreement, Name and/or No.                    |
| 8. Well Name and No.<br><b>BITTER CREEK 1122-5G</b>            |
| 9. API Well No.<br><b>43-047-35637</b>                         |
| 10. Field and Pool, or Exploratory Area<br><b>BITTER CREEK</b> |
| 11. County or Parish, State<br><b>UINTAH COUNTY, UTAH</b>      |

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

|   |  |
|---|--|
| 1. Type of Well<br><input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other  |  |
| 2. Name of Operator<br><b>WESTPORT OIL &amp; GAS COMPANY L.P.</b>   |  |
| 3a. Address<br><b>1368 SOUTH 1200 EAST VERNAL, UT 84078</b>   | 3b. Phone No. (include area code)<br><b>(435) 781-7024</b> |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br><b>SWNE SECTION 5-T11S-R22E 2301'FNL &amp; 1964'FEL</b> |  |

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                |   |  |   |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off           |
| <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity           |
| <input type="checkbox"/> Final Abandonment Notice    | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other BLM APD |
|  | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | <b>EXTENSION</b>                                  |
|  | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |   |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE OPERATOR REQUESTS AUTHORIZATION FOR AN ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION, SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED ON NOVEMBER 10, 2004.

**CONDITIONS OF APPROVAL ATTACHED**

|   |                                    |
|---|------------------------------------|
| 14. I hereby certify that the foregoing is true and correct |                                    |
| Name (Printed/Typed)<br><b>Sheila Upchego</b>               | Title<br><b>Regulatory Analyst</b> |
| Signature<br>   | Date<br><b>October 17, 2005</b>    |

THIS SPACE FOR FEDERAL OR STATE USE

|                 |                                    |                            |
|-----------------|------------------------------------|----------------------------|
| Approved by<br> | Title<br><b>Petroleum Engineer</b> | Date<br><b>OCT 28 2005</b> |
|-----------------|------------------------------------|----------------------------|

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

|        |
|--------|
| Office |
|--------|

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**RECEIVED**

(Instructions on reverse)

**UDOGM**

**OCT 28 2005**  
**DIV. OF OIL, GAS & MINING**

# **CONDITIONS OF APPROVAL**

## **Westport Oil & Gas Co.**

### **Notice of Intent APD Extension**

**Lease:** UTU-76041  
**Well:** Bitter Creek 1122-5G  
**Location:** SWNE Sec 5-T11S-R22E

An extension for the referenced APD is granted with the following conditions:

---

1. The extension and APD shall expire on 11/10/06
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Matt Baker of this office at (435) 781-4490

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

**Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.  
U 76041 714M

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
**BITTER CREEK 1122-5G**

9. API Well No.  
**43-047-35637**

10. Field and Pool, or Exploratory Area  
**BITTER CREEK**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**WESTPORT OIL & GAS COMPANY L.P.**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SWNE SECTION 5-T11S-R22E 2301'FNL & 1964'FEL**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                |   |  |
|--|---|---|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume)                   |
| <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation                                 |
| <input type="checkbox"/> Final Abandonment Notice    | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                                  |
|  | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon                         |
|  | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal                              |
|  |   |   | <input type="checkbox"/> Water Shut-Off                              |
|  |   |   | <input type="checkbox"/> Well Integrity                              |
|  |   |   | <input checked="" type="checkbox"/> Other <u>DOGMA APD EXTENSION</u> |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE OPERATOR REQUESTS AUTHORIZATION FOR AN ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION. SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL, GAS AND MINING DEPARTMENT ON APRIL 12, 2004.

**Approved by the  
Utah Division of  
Oil, Gas and Mining**

Date: 12-27-05  
By: [Signature]

COPY SENT TO OPERATOR  
Date: 01-04-06  
Initials: [Signature]

14. I hereby certify that the foregoing is true and correct

|   |                                    |
|---|------------------------------------|
| Name (Printed/Typed)<br><b>Sheila Upchegg</b> | Title<br><b>Regulatory Analyst</b> |
| Signature<br><u>[Signature]</u>               | Date<br><b>December 15, 2005</b>   |

**THIS SPACE FOR FEDERAL OR STATE USE**

|   |        |      |
|---|--------|------|
| Approved by   | Title  | Date |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | Office |      |

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**RECEIVED**

**DEC 20 2005**

(Instructions on reverse)

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 4304735637  
**Well Name:** BITTER CREEK 1122-5G  
**Location:** SWNE SECTION 5-T11S-R22E  
**Company Permit Issued to:** WESTPORT OIL & GAS CO., L.P.  
**Date Original Permit Issued:** 4/12/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes  No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes  No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes  No

Has the approved source of water for drilling changed? Yes  No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes  No

Is bonding still in place, which covers this proposed well? Yes  No

  
Signature

12/8/2005

Date

Title: REGULATORY ANALYST

Representing: WESTPORT OIL & GAS COMPANY L.P.

RECEIVED

DEC 20 2005

DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

**ROUTING**

- |        |
|--------|
| 1. DJJ |
| 2. CDW |

**X Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

**1/6/2006**

**FROM:** (Old Operator):  
 N2115-Westport Oil & Gas Co., LP  
 1368 South 1200 East  
 Vernal, UT 84078  
 Phone: 1-(435) 781-7024

**TO:** ( New Operator):  
 N2995-Kerr-McGee Oil & Gas Onshore, LP  
 1368 South 1200 East  
 Vernal, UT 84078  
 Phone: 1-(435) 781-7024

**CA No.**

**Unit:**

| WELL NAME | SEC | TWN | RNG | API NO | ENTITY NO | LEASE TYPE | WELL TYPE | WELL STATUS |
|-----------|-----|-----|-----|--------|-----------|------------|-----------|-------------|
|-----------|-----|-----|-----|--------|-----------|------------|-----------|-------------|

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- If **NO**, the operator was contacted on:
- (R649-9-2)Waste Management Plan has been received on: IN PLACE
- Inspections of LA PA state/fee well sites complete on: n/a
- Reports current for Production/Disposition & Sundries on: ok

6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet

**7. Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006

**8. Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on:

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on: \_\_\_\_\_
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG  
 The Division sent response by letter on: \_\_\_\_\_

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

**COMMENTS:**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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**MULTIPLE LEASES**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
**MUTIPLE WELLS**

2. Name of Operator  
**KERR-McGEE OIL & GAS ONSHORE LP**

9. API Well No.

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

10. Field and Pool, or Exploratory Area

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SEE ATTACHED**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |  |
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| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other CHANGE OF OPERATOR |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |  |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |  |

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PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006.  
KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

RECEIVED

MAY 10 2006

DIV. OF OIL, GAS & MINING

BLM BOND = C01203  
BIA BOND = RLB0005239

APPROVED 5116106

*Earlene Russell*

Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)  
RANDY BAYNE

Title  
DRILLING MANAGER

Signature  
*Randy Bayne*

Date  
May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office \_\_\_\_\_

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
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1. Type of Well

Oil Well  Gas Well  Other

8. Well Name and No.

**MUTIPLE WELLS**

2. Name of Operator

**WESTPORT OIL & GAS COMPANY L.P.**

9. API Well No.

3a. Address

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3b. Phone No. (include area code)

**(435) 781-7024**

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**SEE ATTACHED**

11. County or Parish, State

**UINTAH COUNTY, UTAH**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |  |
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| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                      |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other CHANGE OF OPERATOR |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |  |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |  |

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EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

**APPROVED** 5/16/06  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

RECEIVED  
MAY 10 2006

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

**BRAD LANEY**

Signature

Title

**ENGINEERING SPECIALIST**

Date

**May 9, 2006**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

*Brad Laney*

Title

Date

**5-9-06**

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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## United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Colorado State Office  
2850 Youngfield Street  
Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM)  
3106  
COC017387 et. al.

March 23, 2006

### NOTICE

Kerr-McGee Oil & Gas Onshore L.P. :  
1999 Broadway, Suite 3700 : Oil & Gas  
Denver, CO 80202 :

#### Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303.239.3768.

/s/Martha L. Maxwell  
Martha L. Maxwell  
Land Law Examiner  
Fluid Minerals Adjudication

Attachment:

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

WY, UT, NM/OK/TX, MT/ND, WY State Offices

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov>

IN REPLY REFER TO:  
3106  
(UT-922)

March 27, 2006

## Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of  
Fluid Minerals

## Enclosure

Approval letter from BLM COSO (2 pp)

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225  
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114  
Teresa Thompson  
Joe Incardine  
Connie Seare  
Dave Mascarenas  
Susan Bauman

RECEIVED

MAR 28 2006

EN. OF OIL, GAS & MIN. LB

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
**UTU-71417**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
**BITTER CREEK 1122-5G**

9. API Well No.  
**4304735637**

10. Field and Pool, or Exploratory Area  
**UNDESIGNATED**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**KERR MCGEE OIL AND GAS ONSHORE LP**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**435-781-7003**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**2301' FNL 1964' FEL  
SWNE SEC 5-T11S-R22E**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |  |
|---|---|---|--|--|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off                        |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                        |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other <b>APD EXTENSION</b> |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | <b>DOGM</b>  |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |  |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL AND GAS ON DECEMBER 27, 2005.

Approved by the  
Utah Division of  
Oil, Gas and Mining

10/19/06  
PM

Date: 10-16-06  
By: [Signature]

14. I hereby certify that the foregoing is true and correct

|   |                                   |
|---|-----------------------------------|
| Name (Printed/Typed)<br><b>RAMEY HOOPES</b> | Title<br><b>REGULATORY CLERK</b>  |
| Signature<br><i>Ramey Hoopes</i>            | Date<br><b>September 25, 2006</b> |

**THIS SPACE FOR FEDERAL OR STATE USE**

|   |        |      |
|---|--------|------|
| Approved by   | Title  | Date |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | Office |      |

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

OCT 11 2006



**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 4304735637  
**Well Name:** BITTER CREEK 1122-5G  
**Location:** SWNE SEC 5-T11S-R22E  
**Company Permit Issued to:** KERR MCGEE OIL AND GAS ONSHORE LP  
**Date Original Permit Issued:** ~~1/25/2006~~ 4/12/04

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes  No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes  No

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes  No

Has the approved source of water for drilling changed? Yes  No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes  No

Is bonding still in place, which covers this proposed well? Yes  No

Ramey Lopez  
Signature

9/21/2006  
Date

Title: REGULATORY CLERK

Representing: KERR MCGEE OIL AND GAS ONSHORE L

OCT 11 2006

# DIVISION OF OIL, GAS AND MINING

## **SPUDDING INFORMATION**

Name of Company: KERR-McGEE OIL & GAS ONSHORE LP

Well Name: BITTER CREEK 1122-5G

Api No: 43-047-35637 Lease Type: FEDERAL

Section 05 Township 11S Range 22E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # 1

### **SPUDDED:**

Date 11/03/06

Time 3:30 PM

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by LOU WELDON

Telephone # (435) 828-7035

Date 11/07/06 Signed CHD

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: KERR MCGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995  
Address: 1388 SOUTH 1200 EAST  
city VERNAL  
state UT zip 84078 Phone Number: (435) 781-7024

Well 1

| API Number  | Well Name             |                   | QQ        | Sec | Twp                              | Rng | County |
|---|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 4304735637  | BITTER CREEK 1122-5G  |                   | SWNE      | 5   | 11S                              | 22E | UINTAH |
| Action Code   | Current Entity Number | New Entity Number | Spud Date |     | Entity Assignment Effective Date |     |        |
| <i>A</i>  | 99999                 | <i>15759</i>      | 11/3/2006 |     | <i>10/8/06</i>                   |     |        |
| Comments: MIRU PETE MARTIN BUCKET RIG. <i>MVRD</i><br>SPUD WELL LOCATION ON 11/3/2006 AT 1530 HRS |                       |                   |           |     |                                  |     |        |

Well 2

| API Number  | Well Name             |                   | QQ        | Sec | Twp                              | Rng | County |
|-------------|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
|             |                       |                   |           |     |                                  |     |        |
| Action Code | Current Entity Number | New Entity Number | Spud Date |     | Entity Assignment Effective Date |     |        |
|             |                       |                   |           |     |                                  |     |        |
| Comments:   |                       |                   |           |     |                                  |     |        |

Well 3

| API Number  | Well Name             |                   | QQ        | Sec | Twp                              | Rng | County |
|-------------|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
|             |                       |                   |           |     |                                  |     |        |
| Action Code | Current Entity Number | New Entity Number | Spud Date |     | Entity Assignment Effective Date |     |        |
|             |                       |                   |           |     |                                  |     |        |
| Comments:   |                       |                   |           |     |                                  |     |        |

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

SHEILA UPCHEGO

Name (Print Name)

*Sheila Upchego*  
Signature

REGULATORY ANALYST

11/7/2006

Title

Date

To: EARLENE RUSSELL From: SHEILA UPCHEGO  
(a/2000) Co./Dept. UTD06M1 Co. KMG  
Phone # (801) 538-5331 Phone (435) 781-7024  
Fax # (801) 354-3940 Fax (435) 781-7094

**RECEIVED**  
**NOV 07 2006**

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.

UTU-76041

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

**BITTER CREEK 1122-5G**

9. API Well No.

4304735637

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SWNE SEC. 5, T11S, R22E 2301'FNL, 1964'FEL

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |  |  |
|---|---|---|--|--|--|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off                    |  |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                    |  |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other <u>WELL SPUD</u> |  |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |  |  |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |  |  |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleting horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleting in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX.

**SPUD WELL LOCATION ON 11/03/2006 AT 1530 HRS.**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Sheila Upchego

Title

Regulatory Analyst

Signature

Date

November 7, 2006

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

**RECEIVED**

**NOV 13 2006**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**SUNDRY NOTICES AND REPORTS ON WELLS**

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UTU-76041

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7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

**BITTER CREEK 1122-5G**

9. API Well No.

4304735637

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SWNE SEC. 5, T11S, R22E 2301'FNL, 1964'FEL

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| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |  |
|---|---|---|--|--|
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| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                      |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other <u>SET SURFACE</u> |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | <u>CSG</u>   |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |  |

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MIRU BILL MARTIN AIR RIG ON 11/08/2006. DRILLED 12 1/4" SURFACE HOLE TO 2050'. RAN 9 5/8" 32.3# H-40 SURFACE CSG. LEAD CMT W/170 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/200 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD RETURNS 25 +/- BBLs LEAD CMT TO PIT. RAN 200' OF 1" PIPE. CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD DOWN 1" PIPE TOP OUT W/88 SX CLASS G @15.8 PPG 1.15 YIELD. CMT TO SURFACE HOLE STAYED FULL WORT

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Shejla Upchego

Title

Regulatory Analyst

Signature

Date

November 13, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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(Instructions on reverse)

**RECEIVED**  
**NOV 20 2006**  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**SUNDRY NOTICES AND REPORTS ON WELLS**

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5. Lease Serial No.  
**UTU-76041**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
**BITTER CREEK 1122-5G**

9. API Well No.  
**4304735637**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**KERR-McGEE OIL & GAS ONSHORE LP**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SWNE SEC. 5, T11S, R22E 2301'FNL, 1964'FEL**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

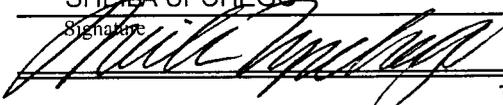
| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |  |  |
|---|---|---|--|--|--|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off                                    |  |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                                    |  |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other <b>FINAL DRILLING OPERATIONS</b> |  |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |  |  |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |  |  |

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FINISHED DRILLING FROM 2050' TO 8475' ON 12/02/2006. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/290 SX PREM LITE II @11.0 PPG 3.38 YIELD. TAILED CMT W/1430 SX 50/50 POZ @14.3 PPG 1.31 YIELD. WASH LINES DROP PLUG DISP W/130 BBLS WATER W/CLAY TREAT & MAGINICIDE TO BUMP PLUG W/3400 PSI 500 OVER RELEASE PSI FLOAT EQUIP OK HAD 10 BBLS CMT RETURN TO SURFACE. WASH STACK SET SLIPS W/85K WT MAKE ROUGH CUT ON CSG. CLEAN MUD TANKS.

**RELEASED ENSIGN RIG 81 ON 12/03/2006 AT 0100 HRS.**

14. I hereby certify that the foregoing is true and correct

|   |  |
|---|--|
| Name (Printed/Typed)<br><b>SHEILA UPCHEGO</b>   | Title<br><b>SENIOR LAND ADMIN SPECIALIST</b> |
| Signature<br> | Date<br><b>December 4, 2006</b>              |

**THIS SPACE FOR FEDERAL OR STATE USE**

|   |        |      |
|---|--------|------|
| Approved by   | Title  | Date |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | Office |      |

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(Instructions on reverse)

**RECEIVED**

**DEC 11 2006**

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

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**UTU-76041**

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8. Well Name and No.  
**BITTER CREEK 1122-5G**

9. API Well No.  
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10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

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1. Type of Well  
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2. Name of Operator  
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3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SWNE SEC. 5, T11S, R22E 2301'FNL, 1964'FEL**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |
|---|---|---|--|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume)                   |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation                                 |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                                  |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon                         |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal                              |
|   |   |   | <input type="checkbox"/> Water Shut-Off                              |
|   |   |   | <input type="checkbox"/> Well Integrity                              |
|   |   |   | <input checked="" type="checkbox"/> Other <b>PRODUCTION START-UP</b> |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 12/24/2006 AT 10:30 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

**SHEILA UPCHEGO**

Signature



Title

**SENIOR LAND ADMIN SPECIALIST**

Date

**January 4, 2007**

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

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(Instructions on reverse)

**RECEIVED**

**JAN 11 2007**

**DIV. OF OIL, GAS & MINING**



Anadarko Petroleum Corporation  
 1368 S. 1200 East  
 Vernal, UT 84078

**CHRONOLOGICAL WELL HISTORY**

**BITTERCREEK 1122-5G**  
 SWNE, SEC.5, T11S, R22E  
 UINTAH COUNTY, UT

**BUILD LOCATION: AFE# 806096D**

| <b>DATE</b> | <b>Activity</b>   |         | <b>Status</b>  |        |
|-------------|---|---------|----------------|--------|
| 10/16/06    | Location is 10% complete  | Caza 81 |                |        |
| 10/17/06    | Location is 15% complete  | Caza 81 |                |        |
| 10/18/06    | Location is 20% complete  | Caza 81 |                |        |
| 10/19/06    | Location is 25% complete  | Caza 81 |                |        |
| 10/20/06    | Location is 25% complete  | Caza 81 | DRLG           |        |
| 10/23/06    | Location is 25% complete  | Caza 81 |                |        |
| 10/24/06    | Location is 30% complete  | Caza 81 |                |        |
| 10/25/06    | Location is 35% complete  | Caza 81 |                |        |
| 10/26/06    | Location is 35% complete  | Caza 81 |                |        |
| 10/27/06    | Location is 40% complete  | Caza 81 |                |        |
| 10/30/06    | Location is 50% complete  | Caza 81 |                |        |
| 10/31/06    | Location is 60% complete  | Caza 81 |                |        |
| 11/01/06    | Location is 70% complete  | Caza 81 |                |        |
| 11/02/06    | Location is 85% complete  | Caza 81 |                |        |
| 11/03/06    | LOCATION COMPLETE<br>SET CONDUCTOR  | Caza 81 | P/L IN<br>WOAR |        |
| 11/09/06    | 9 5/8" @2029', AIR RIG SPUD   | Caza 81 | WORT           |        |
| 11/21/06    | TD: 2050' Csg. 9 5/8" @ 2029'<br>RDRT on State 1021-36J. Moving rig to 1121-5G @ report time.             | MW: 8.4 | SD: 11/XX/06   | DSS: 0 |
| 11/22/06    | TD: 2050' Csg. 9 5/8" @ 2029'<br>Moved rig f/ State 1021-36J. 100% moved and 80% rigged up @ report time. | MW: 8.4 | SD: 11/XX/06   | DSS: 0 |
| 11/27/06    | TD: 6072' Csg. 9 5/8" @ 2029'   | MW: 9.4 | SD: 11/23/06   | DSS: 5 |

Drill from 3961'-5111'. POOH to shoe and repair mud pumps. POOH and change bits. TIH and drill to 5134'. POOH and change bits. Drill from 5134'-6072'. DA @ report time.

- 11/28/06** TD: 6536' Csg. 9 5/8" @ 2029' MW: 9.5 SD: 11/23/06 DSS: 6  
Drill from 6072'-6518'. Survey @ 6439', 5.4 deg. TOOH for dropping bit. TIH and drill from 6518'-6535'. DA @ report time.
- 11/29/06** TD: 7075' Csg. 9 5/8" @ 2029' MW: 10.2 SD: 11/23/06 DSS: 7  
Drill from 6535'-7075'. DA @ report time.
- 11/30/06** TD: 7590' Csg. 9 5/8" @ 2029' MW: 10.4 SD: 11/23/06 DSS: 8  
Drill from 7075'-7156'. TFNB. Drill to 7590'. DA @ report time.
- 12/01/06** TD: 8460' Csg. 9 5/8" @ 2029' MW: 10.7 SD: 11/23/06 DSS: 9  
Drill from 7590'-8460'. DA @ report time.
- 12/04/06** TD: 8475' Csg. 9 5/8" @ 2029' MW: 10.9 SD: 11/23/06 DSS: 12  
Drill from 8460'-8475'. CCH and short trip 20 stds. CCH and lay down drill string. Run Triple Combo. Run and cement 4 1/2" Production Casing. Set slips and release rig @ 0100 hrs 12/3/06. RDRT. Will move to Bitter Creek 1122-5H this am.
- 12/18/06** **PU PROD TUBING**  
Days On Completion: 1  
Remarks: 7:00 AM. HSM ( PICKING UP TUBING) MIRU RIG & RIG EQUIPMENT. PU 3 7/8" MILL SUB TALLEY & DRIFT 268 JTS OF 2 3/8" J-55 4.7# TBG. TAG PBSD @ 8,384'. RU RIG PUMP CIRC WELL CLEAN W/ 2% KCL. POOH LD 25 JTS ON TRAILER. EOT @ 7,640'.SWI WINTERIZE WELL HEAD SDFN
- 12/19/09** **POOH W/ LOG & PERF**  
Days On Completion: 2  
Remarks: 7:00 AM. HSM. POOH W/ 122 STANDS. ND BOP'S NU FRAC VALVES. MIRU CUTTERS TO RUN CEMENT BOND LOG & PERFORATE ZONE 1. RIH W/ CEMENT BOND LOG TOOLS. TAG PBSD @ 8,361'. CEMENT TOP @ SURFACE. GOOD BOND. MIRU B&C QUICK TEST TO PRESSURE TEST CASING & BOTH FRAC VALVES. PRESSURE TEST TO 7,500 PSI. GOOD TEST. RDMO B&C QUICK TEST. RIH W/ 3 3/8" EXP GUNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING PERFORATE 8,361' - 62' 4 SPF, 8,271' - 74 4 SPF, 8,197' - 8,200' 3 SPF, 8,145' - 46' 4 SPF, 8,062' - 66' 4 SPF, 45 HOLES. RDMO CUTTERS. WINTERIZE RIG & WELL HEAD. SDFN.
- 12/20/06** **FRAC**  
Days On Completion: 3  
Remarks: 6:00 AM. HSM (FRACING & PERFORATING). PRESSURE TEST PUMPS & LINES TO 8,500 PSI,  
  
STG 1) BRK 4,930 PSI, @ 5.3 BPM, ISIP 2,550 PSI, FG .74. PUMP 100 BBLS @ 49.3 BPM @ 5,200 PSI = 40 OF 45 HOLES OPEN. MP 6,726 PSI, MR 51.2 BPM, AP 4,543 PSI, AR 48.0 BPM, ISIP 2,808 PSI, FG .78, NPI 258 PSI, PMP 1,426 BBLS SLICK WATER & 47,600 LBS 30/50 SAND.  
  
STG 2) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING. SET 8K BAKER CBP @ 8,004' PERFORATE 7,972' - 74' 3 SPF, 7,877' - 79' 4 SPF, 7,830' - 32' 4 SPF, 7,791' - 94' 4 SPF, 7,736' - 39' 4 SPF, 46 HOLES. WHP 168 PSI, BRK 5,016 PSI, @ 5.3 BPM, ISIP 2,612 PSI, FG .77, PUMP 100 BBLS @ 48.4 BPM @ 4,960 PSI = 46 OF 46 HOLES OPEN. MP 6,058 PSI, MR 52.4 BPM, AP 4,555 PSI, AR 46.8 BPM, ISIP 2,896 PSI, FG .80, NPI 284 PSI, PMP 2,344 BBLS SLICK WATER & 93,400 LBS 30/50 SAND.

STG 3) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING. SET 8K BAKER CBP @ 7,634' PERFORATE 7,600' - 04' 4 SPF, 7,545' - 51' 4 SPF, 40 HOLES. . WHP 0 PSI, BRK 3,883 PSI, @ 5.3 BPM, ISIP 2,471 PSI, FG .76. PUMP 100 BBLS @ 49.5 BPM @ 4,850 PSI = 40 OF 40 HOLES OPEN. MP 4,989 PSI, MR 49.6 BPM, AP 4,034 PSI, AR 45.2 BPM, ISIP 2,295 PSI, FG .74, NPI 0 PSI, PMP 674 BBLS SLICK WATER & 21,800 LBS 30/50 SAND.

STG 4) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING. SET 8K BAKER CBP @ 7,192' PERFORATE 7,160' - 62' 4 SPF, 7,080' - 82' 4 SPF, 6,943' - 45' 3 SPF, 6,901' - 05' 4 SPF, 6,850' - 52' 4 SPF, 46 HOLES. SWI WINTERIZE WELL HEAD SDFN

12/21/06

**FRAC**

Days On Completion: 4

Remarks: 7:00 AM. HSM ( FRACING & PERFORATING )

STG 4) WHP 800 PSI, BRK 3,412 PSI, @ 5.2 BPM, ISIP 1,981 PSI, FG .72 PUMP 100 BBLS @ 49.5 BPM @ 4,700 PSI = 40 OF 46 HOLES OPEN MP 5,539 PSI, MR 49.7 BPM, AP 3,687 PSI, AR 48.7 BPM, ISIP 2,564 PSI, FG .80 NPI 583 PSI, PMP 3,048 BBLS SLICK WATER & 124,800 LBS 30/50 SAND

STG 5) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING SET 8K BAKER CBP @ ,748' PERFORATE 6,712' - 18' 4 SPF, 6,659' - 63' 4 SPF, 40 HOLES. WHP 0 PSI, BRK 3,258 PSI, @ 5.3 BPM, ISIP 1,758 PSI, FG .70 PUMP 100 BBLS @ 49.0 BPM @ 4,550 PSI = 40 OF 40 HOLES OPEN. MP 4,630 PSI, MR 49.9 BPM, AP 3,913 PSI, AR 43.9 BPM, ISIP 2,640 PSI, FG .83 NPI 882 PSI, PMP 570 BBLS SLICK WATER & 18,500 LBS 30/50 SAND

STG 6) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING SET 8K BAKER CBP @ 6,296' PERFORATE 6,256' - 66' 4 SPF, 40 HOLES. WHP 0 PSI, BRK 2,758 PSI, @ 5.3 BPM, ISIP 1,300 PSI, FG .64 PUMP 100 BBLS @ 48.5 BPM @ 3,828 PSI = 40 OF 40 HOLES OPEN. MP 4,089 PSI, MR 48.6 BPM, AP 3,569 PSI, AR 44.8 BPM, ISIP 2,706 PSI, FG .87 NPI 1,406 PSI, PMP 562 BBLS SLICK WATER & 18,350 LBS 30/50 SAND

STG 7) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING SET 8K BAKER CBP @ 5,742' PERFORATE 5,706' - 12' 4 SPF, 5,568' - 73' 4 SPF, 44 HOLES. WHP 0 PSI, BRK 2,469 PSI, @ 5.2 BPM, ISIP 937 PSI, FG .60 PUMP 100 BBLS @ 48.9 BPM @ 3,200 PSI = 39 OF 44 HOLES OPEN. MP 3,593 PSI, MR 48.7 BPM, AP 3,101 PSI, AR 44.3 BPM, ISIP 2,126 PSI, FG .82 NPI 1,189 PSI, PMP 721 BBLS SLICK WATER & 27,700 LBS 30/50 SAND

STG 8) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING SET 8K BAKER CBP @ 4,860' PERFORATE 4,820' - 30' 4 SPF, 40 HOLES. WHP 0 PSI, BRK 2,469 PSI, @ 5.2 BPM, ISIP 937 PSI, FG .60 PUMP 100 BBLS @ 48.5 BPM @ 3,080 PSI = 38 OF 40 HOLES OPEN. MP 3,308 PSI, MR 48.6 BPM, AP 2,934 PSI, AR 44.0 BPM, ISIP 1,516 PSI, FG .75 NPI 676 PSI, PMP 525 BBLS SLICK WATER & 22,110 LBS 30/50 SAND

KILL PLG) RIH SET 8K BAKER PLG @ 4,770', RDMO SCHLUMBERGER & CUTTERS ND FRAC VALVES NU BOP'S. PU 3 7/8" BIT FAST EDDIE POBS & SN. RIH W/ 48 JTS OF 2 3/8" J-55 4.7# TBG. POOH W/2 STANDS EOT @ 1,379' SWI WINTERIZE WELL HEAD SDFN

12/22/06

**DRILL CBP AND LAND TBG**

Days On Completion: 5

Remarks : 7:00 AM. HSM

CONT. RIH W/ 107 JTS RU RIG PUMP & POWER SWIVEL. BRK CIRCULATION. RIH C/O 30' SAND TAG PLG 1 @ 4,770' DRL PLG IN 10 MIN 100 PSI INCREASE PSI RIH C/O 30' SAND TAG PLG 2 @ 4,860' DRL PLG IN 10 MIN 50 PSI INCREASE PSI RIH C/O 30' SAND TAG PLG 3 @ 5,742' DRL PLG IN 10 MIN 200 PSI INCREASE PSI RIH C/O 45' SAND TAG PLG 4 @ 6,296' DRL PLG IN 10 MIN 100 PSI INCREASE PSI RIH C/O 30' SAND TAG PLG 5 @ 6,748' DRL PLG IN 10 MIN 400 PSI INCREASE PSI RIH

C/O 30' SAND TAG PLG 6 @ 7,200' DRL PLG IN 10 MIN 200 PSI INCREASE PSI RIH  
C/O 30' SAND TAG PLG 7 @ 7,634' DRL PLG IN 10 MIN 400 PSI INCREASE PSI RIH  
C/O 30' SAND TAG PLG 8 @ 8,004' DRL PLG IN 10 MIN 100 PSI INCREASE PSI RIH  
C/O 80' OF SAND TO 8,387' CIRCULATE WELL CLEAN.

POOH LD 32 JTS OF 2 3/8" J-55 4.7# TBG. LAND TBG W/ 236 JTS OF 2 3/8"

J-55 4.7# TBG @ 7,399.63'. ND BOP'S NU WELL HEAD. DROP BALL TO SHEAR OFF  
POBS. PUMP 20 BBLS 2% KCL PUMP OFF BIT @ 1,400 PSI.

TURN WELL OVER TO FLOW BACK CREW

284 JTS 2 3/8" J-55 4.7# TBG OUTBOUND 9,843 BBLS TLTR

236 JTS LANDED 900 BBLS RIG RECOVERY

48 JTS RETURNED 8,943 BBLS LTR

**FLOW BACK REPORT:** CP: 800#, TP: 975#, 60 BWPH, 20/64 CHK, TTL BBLS FLWD: 1145,  
TODAYS LTR: 7798 BBLS, TTL LOAD REC'D: 1145 BBLS.

- 12/23/06 **FLOW BACK REPORT:** CP: 1600#, TP: 975#, 30 BWPH, 20/64 CHK, TTL BBLS FLWD: 920,  
TODAYS LTR: 6878 BBLS, TTL LOAD REC'D: 2065 BBLS.
- 12/24/06 **WELL WENT ON SALES:** @ 10:30 A.M., TBG 990/1250, CSG 1350, 20/64 CK, 30 BBLS/HR  
WTR, 500 MCF  
**FLOW BACK REPORT:** CP: 2100#, TP: 1200#, 25 BWPH, 20/64 CHK, TTL BBLS FLWD: 625,  
TODAYS LTR: 6253 BBLS, TTL LOAD REC'D: 2690 BBLS.  
**ON SALES:** 323 MCF, 0 BC, 450 BW, TP: 1200#, CP: 2000#, 20/64 CHK, 18 HRS, LP: 75#.
- 12/25/06 **FLOW BACK REPORT:** CP: 2050#, TP: 1300#, 20 BWPH, 20/64 CHK, TTL BBLS FLWD: 540,  
TODAYS LTR: 5713 BBLS, TTL LOAD REC'D: 3230 BBLS.  
**ON SALES:** 834 MCF, 0 BC, 540 BW, TP: 1300#, CP: 2050#, 20/64 CHK, 18 HRS, LP: 0 T.S  
PLUG#.
- 12/26/06 **ON SALES:** 922 MCF, 2 BC, 481 BW, TP: 1313#, CP: 2050#, 18/64 CHK, 16 HRS, LP: 93#.
- 12/27/06 **ON SALES:** 2124 MCF, 2 BC, 481 BW, TP: 1306#, CP: 1550#, 18/64 CHK, 24 HRS, LP: 101#.
- 12/28/06 **ON SALES:** 2095 MCF, 2 BC, 240 BW, TP: 1333#, CP: 1550#, 18/64 CHK, 24 HRS, LP: 88#.
- 12/29/06 **ON SALES:** 2095 MCF, 2 BC, 240 BW, TP: 1333#, CP: 1550#, 18/64 CHK, 24 HRS, LP: 88#.
- 12/30/06 **ON SALES:** 2095 MCF, 2 BC, 240 BW, TP: 1333#, CP: 1550#, 18/64 CHK, 24 HRS, LP: 88#.
- 12/31/06 **ON SALES:** 2018 MCF, 2 BC, 240 BW, TP: 1300#, CP: 1550#, 18/64 CHK, 24 HRS, LP: 97#.
- IP'D
- 12/27/06 **ON SALES:** 2124 MCF, 2 BC, 481 BW, TP: 1306#, CP: 1550#, 18/64 CHK, 24 HRS, LP: 101#.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
**UTU-71417**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
**BITTER CREEK 1122-5H**

2. Name of Operator  
**KERR-McGEE OIL & GAS ONSHORE LP**

9. API Well No.  
**4304735633**

3a. Address  
**1368 SOUTH 1200 EAST VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435) 781-7024**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SENE SEC. 5, T11S, R22E 2550'FNL, 533'FEL**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |  |
|---|---|---|--|--|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off                              |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                              |
| <input type="checkbox"/> Final Abandonment Notice     | <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other <b>PRODUCTION START-UP</b> |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       |  |
|   | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            |  |

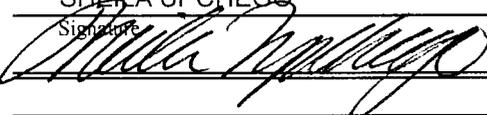
13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 01/07/2007 AT 12:00 PM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

**RECEIVED  
JAN 11 2007**

14. I hereby certify that the foregoing is true and correct

|  |  |
|--|--|
| Name (Printed/Typed)<br><b>SHEILA UPCHEGO</b>  | Title<br><b>SENIOR LAND ADMIN SPECIALIST</b> |
| Signature<br> | Date<br><b>January 9, 2007</b>               |

DIV. OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

|             |       |      |
|-------------|-------|------|
| Approved by | Title | Date |
|-------------|-------|------|

|   |        |
|---|--------|
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | Office |
|---|--------|

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



Anadarko Petroleum Corporation  
 1368 S. 1200 East  
 Vernal, UT 84078

### CHRONOLOGICAL WELL HISTORY

**BITTERCREEK 1122-5H**  
 SENE, SEC. 5, T11S, R22E  
 UINTAH COUNTY, UT

| DATE     | Activity   | Status              |
|----------|--|---------------------|
| 10/23/06 | Location is 20% Complete   | Caza 81             |
| 10/24/06 | Location is 30% Complete   | Caza 81             |
| 10/25/06 | Location is 40% Complete   | Caza 81             |
| 10/26/06 | Location is 55% Complete   | Caza 81             |
| 10/27/06 | Location is 75% Complete   | Caza 81             |
| 10/30/06 | Location is 85% Complete   | Caza 81             |
| 11/02/06 | Location is 85% Complete   | Caza 81             |
| 11/03/06 | LOCATION COMPLETE  | Caza 81 P/L IN      |
| 11/04/06 | SET CONDUCTOR  | Caza 81 WOAR        |
| 11/12/06 | 9 5/8" @ 2032', AIR RIG  | Caza 81 WORT        |
| 12/04/06 | TD: 2055' Csg. 9 5/8" @ 2032' MW: 8.3<br>Move to Bitter Creek 1122-5H. Spot rig and RURT.  | SD: 12/XX/06 DSS: 0 |
| 12/05/06 | TD: 2055' Csg. 9 5/8" @ 2032' MW: 8.3<br>RURT. NU and test BOPE. Prepare to PU BHA @ report time.  | SD: 12/XX/06 DSS: 0 |
| 12/06/06 | TD: 2735' Csg. 9 5/8" @ 2032' MW: 8.4<br>PU BHA and DP. Thaw out mud pumps. Drill rat hole. Drill cement and FE. Rotary spud @ 1830 hrs 12/6/06. Drill from 2055'-2735'. DA @ report time. | SD: 12/6/06 DSS: 1  |
| 12/07/06 | TD: 2735' Csg. 9 5/8" @ 2032' MW: 8.4<br>PU BHA and DP. Thaw out mud pumps. Drill rat hole. Drill cement and FE. Rotary spud @ 1830 hrs 12/6/06. Drill from 2055'-2735'. DA @ report time. | SD: 12/6/06 DSS: 1  |
| 12/08/06 | TD: 4200' Csg. 9 5/8" @ 2032' MW: 8.8<br>Drill from 2735'-4200'. DA @ report time.   | SD: 12/6/06 DSS: 2  |
| 12/11/06 | TD: 7600' Csg. 9 5/8" @ 2032' MW: 10.2<br>Drill from 4200'-7600'. DA @ report time.  | SD: 12/6/06 DSS: 5  |
| 12/12/06 | TD: 8010' Csg. 9 5/8" @ 2032' MW: 10.6<br>Drill from 7600'-7939'. TFNB. Drill to 8010'. DA @ report time.  | SD: 12/6/06 DSS: 6  |

12/13/06 TD: 8612' Csg. 9 5/8" @ 2032' MW: 10.9 SD: 12/6/06 DSS: 7  
Drill from 8010'-8612' TD. CCH and short trip 20 stds. CCH. Lay down drill string @ report time.

12/14/06 TD: 8612' Csg. 9 5/8" @ 2032' MW: 11.2 SD: 12/6/06 DSS: 8  
Finish laying down drill string. Run Triple Combo. Run and cement 4 1/2" Production Casing @ report time.

12/15/06 TD: 8612' Csg. 9 5/8" @ 2032' MW: 11.2 SD: 12/6/06 DSS: 9  
Cement 4 1/2" Production Casing. Set slips and release rig @ 1230 hrs 12/14/06. RDRT. Will move to Bitter Creek 1122-4D this am.

12/29/06

**PU PROD TUBING**

Days On Completion: 1

Remarks:7:00 AM HSM. ROAD RIG FROM VERNAL TO LOC. MIRU CUTTERS TO RUN CEMENT BOND LOG. RIH W/CEMENT BOND LOG TOOLS TAG PBTD @ 8,494'. CEMENT TOP @ SURFACE. GOOD BOND. RDMO CUTTERS.RU RIG & SPOT RIG EQUIPMENT. PU 3 7/8" MILL & SUB. TALLEY & DRIFT 93 JTS OF 2 3/8" J-55 4.7# TBG. POOH W/4 JTS SO WELL HEAD WILL BE EMPTY. 89 JTS IN WELL. EOT @ 2,817'. WINTERIZE WELL HEAD & RIG. SWI, SDFWE.

01/02/06

**POOH W/TBG**

Days On Completion: 5

Remarks:7:00 AM. HSM. PU DRIFT & TALLEY RIH W/153 JTS OF 2 3/8" J-55 4.7# TBG. EOT @ 7,630'. POOH W/121 STANDS. ND BOP'S NU FRAC VALVES. MIRU B&C QUICK TEST. PRESSURE TEST CASING & FRAC VALVES TO 7,500 PSI. GOOD TEST. RDMO B&C QICK TEST. WINTERIZE WELL HEAD & RIG. SWI SDFN

01/03/07

**FRAC**

Days On Completion: 6

Remarks : 7:00 AM. HSM ( HALLIBURTON, CUTTERS & RIG CREW). MIRU HALLIBURTON & CUTTERS TO FRAC & PERFORATE.

STG 1) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLOES, 90 & 120 DEG PHASING. PERFORATE 8,432' - 38' 4 SPF, 8,351' - 54' 3 SPF, 8,268' - 71' 4 SPF, 45 HOLES. PRESSURE TEST PUMPS & LINES TO 8,300 PSI, WHP 0 PSI, BRK @ 5,140 PSI @ 5.0 BPM, ISIP 2,890 PSI, FG .78. PUMP 100 BBLS @ 50 BPM @ 4,700 PSI = 45 OF 45 HOLES OPEN. MP 7,426 PSI, MR 51.1 BPM, AP 4,441 PSI, AR 49.8 BPM, ISIP 2,784, FG .76, NPI -170 PSI, PMP 1,246 BBLS SLICK WATER, PMP 37,700 LBS 30/50 SAND.

STG 2 ) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLOES, 90 & 120 DEG PHASING. SET 8K BAKER CBP @ 8,080'. PERFORATE 8,052' - 56' 4 SPF, 7,997' - 8,000' 3 SPF, 7,957' - 61' 4 SPF, 41 HOLES. WHP 0 PSI, BRK @ 6,210 PSI @ 5.0 BPM, ISIP 3,000 PSI, FG .81. PUMP 100 BBLS @ 50 BPM @ 5,700 PSI = 37 OF 41 HOLES OPEN. MP 6,958 PSI, MR 52.3 BPM, AP 5,240 PSI, AR 50.6 BPM, ISIP 3,171, FG .84, NPI 171 PSI, PMP 1,202 BBLS SLICK WATER, PMP 41,050 LBS 30/50 SAND.

STG 3 ) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLOES, 90 & 120 DEG PHASING. SET 8K BAKER CBP @ 7,890'. PERFORATE 7,862' - 65' 3 SPF, 7,843' - 48' 3 SPF, 7,772' - 74' 4 SPF, 7,745' - 48' 4 SPF,44 HOLES. WHP 0 PSI, BRK @ 4,001 PSI @ 5.0 BPM, ISIP 2,760 PSI, FG .79. PUMP 100 BBLS @ 50.2 BPM @ 4,250 PSI = 44 OF 44 HOLES OPEN. MP 6,256 PSI, MR 53 BPM, AP 4,242 PSI, AR 51.1 BPM, ISIP 3,041, FG .82, NPI 281 PSI, PMP 2,714 BBLS SLICK WATER, PMP 111,070 LBS 30/50 SAND.

STG 4 ) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLOES, 90 & 120 DEG PHASING. SET 8K BAKER CBP @ 7,890'. PERFORATE 7,376' - 80' 3 SPF, 7,169' - 74' 4 SPF, 7,140' - 43' 3 SPF,

41 HOLES. WHP 0 PSI, BRK @ 3,130 PSI @ 7.0 BPM, ISIP 2,005 PSI, FG .71, PUMP 100 BBLs @ 51.7 BPM @ 4,217 PSI = 38 OF 41 HOLES OPEN. MP 5,686 PSI, MR 56 BPM, AP 3,734 PSI, AR 51.9 BPM, ISIP 2,460, FG .77, NPI 455 PSI, PMP 1,647 BBLs SLICK WATER, PMP 62,900 LBS 30/50 SAND.

STG 5 ) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING. SET 8K BAKER CBP @ 7,410'. PERFORATE 7,038' - 44' 4 SPF, 6,920' - 23' 3 SPF, 6,894' - 97' 4 SPF, 45 HOLES. WHP 0 PSI, BRK @ 4,134 PSI @ 6.3 BPM, ISIP 2,300 PSI, FG .76. PUMP 100 BBLs @ 53.5 BPM @ 3,647 PSI = 45 OF 45 HOLES OPEN. MP 5,131 PSI, MR 56.4 BPM, AP 3,647 PSI, AR 53.7 BPM, ISIP 2,578, FG .80, NPI 278 PSI, PMP 3,070 BBLs SLICK WATER, PMP 119,300 LBS 30/50 SAND. WINTERIZE WELL HEAD & PUMPING EQUIPMENT. SWI SDFN.

01/04/07

**FRAC**

Days On Completion: 7

Remarks: 7:00 AM. HSM

PRESSURE TEST PUMPS & LINES TO 8,300 PSI

STG 6) RIH W/ 3 1/8" PORTED GNS, 12 GRM, .34 DIA HOLE, 90 DEG PHASING. SET 8K BAKER CBP @ 5,985'. PERFORATE 5,946' - 55' 4 SPF, 36 HOLES. WHP 0 PSI, BRK @ 2,682 PSI @ 6.0 BPM, ISIP 1,599 PSI, FG .70 PUMP 100 BBLs @ 55 BPM @ 4,200 PSI = 30 OF 36 HOLES OPEN MP 4,478 PSI, MR 55 BPM, AP 3,888 PSI, AR 52.3 BPM, ISIP 2,689, FG .88 NPI 1,090 PSI, PMP 957 BBLs SLICK WATER, PMP 23,000 LBS 30/50 SAND.

KILL PLG) RIH SET BAKER 8K CBP @ 5,900'. RDMO CUTTERS & HALLIBURTON.

ND FRAC VALVES NU BOP'S. PU 3 7/8" BIT FAST EDDIE POBS & SN. RIH W/ 186 JTS EOT @ 5878'. POOH W/2 JTS SO WELL HEAD WOULD BE DRY 184 JTS EOT @ 5,815'. RU POWER SWIVEL WINTERIZE WELL HEAD. SWI SDFN

01/05/07

**DRLG CBP&LAND TBG**

Days On Completion: 8

Remarks : 7:00 AM. HSM. BRK CIRCULATION W/ 2% KCL WATER.

RIH C/O 30' OF SAND TAG PLG 1 @ 5,900' DRL PLG IN 10 MIN 300 PSI INCREASE.

RIH C/O 30' OF SAND TAG PLG 2 @ 5,985' DRL PLG IN 10 MIN 500 PSI INCREASE.

RIH C/O 30' OF SAND TAG PLG 3 @ 7,068' DRL PLG IN 10 MIN 300 PSI INCREASE.

RIH C/O 30' OF SAND TAG PLG 4 @ 7,405' DRL PLG IN 10 MIN 700 PSI INCREASE.

RIH C/O 30' OF SAND TAG PLG 5 @ 7,890' DRL PLG IN 10 MIN 400 PSI INCREASE.

RIH C/O 30' OF SAND TAG PLG 6 @ 8,080' DRL PLG IN 10 MIN 800 PSI INCREASE.

RIH C/O TO 8,525' CIRC WELL CLEAN. POOH LD 40 JTS OF 2 3/8" J-55 4.7# TBG LAND W/ 230 JTS 2 3/8" J-55, 4.7# TBG @ 7,267.93'. ND BOP'S NU WELL HEAD. DROP BALL TO SHEAR OFF BIT. PUMP 24 BBLs 2% KCL PUMP OFF BIT @ 1,400 PSI. HOOK UP FLOW LINE. TURN WELL OVER TO FLOW TESTERS.

**FLOW BACK REPORT:** CP: 1250#, TP: 1050#, 70 BWPH, 20/64 CHK, TTL BBLs FLWD: 1350, TODAY'S LTR: 8236 BBLs, TTL LOAD REC'D: 1350 BBLs.

01/06/07

**FLOW BACK REPORT:** CP: 1475#, TP: 1175#, 40 BWPH, 20/64 CHK, TTL BBLs FLWD: 1125, TODAY'S LTR: 7111 BBLs, TTL LOAD REC'D: 2475 BBLs.

01/07/07

**WELL WENT ON SALES:** 01/07/07 @ 12:00 A.M. TBG 1200, CSG 1500, 20/64 CK, 800 MCF, 35 BBLs/HR WTR

**FLOW BACK REPORT:** CP: 1950#, TP: 1300#, 30 BWPH, 20/64 CHK, TTL BBLs FLWD: 810, TODAY'S LTR: 6301 BBLs, TTL LOAD REC'D: 3285 BBLs.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires: November 30, 2000

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.  
UTU-76041

1a. Type of Well  Oil Well  Gas  Dry  Other  
 b. Type of Completion:  New  Work Over  Deepen  Plug Back  Diff. Resvr.  
 Other \_\_\_\_\_

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

2. Name of Operator  
KERR MCGEE OIL & GAS ONSHORE LP

8. Lease Name and Well No.  
**BITTER CREEK 1122-5G**

3. Address 1368 SOUTH 1200 EAST VERNAL, UTAH 84078  
 3a. Phone No. (include area code) (435)-781-7024

9. API Well No.  
4304735637

4. Location of Well (Report locations clearly and in accordance with Federal requirements)\*  
 At surface SWNE 2301'FNL, 1964'FEL

10. Field and Pool, or Exploratory  
BITTER CREEK

At top prod. interval reported below

11. Sec., T., R., M., or Block and Survey or Area SEC. 5, T11S, R22E

At total depth

12. County or Parish UTAH  
 13. State UTAH

14. Date Spudded 11/03/06  
 15. Date T.D. Reached 12/02/06  
 16. Date Completed  D & A  Ready to Prod. 12/24/06

17. Elevations (DF, RKB, RT, GL)\*  
5574'GL

18. Total Depth: MD 8475' TVD  
 19. Plug Back T.D.: MD 8394' TVD  
 20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
CBL-CCL-GR

22. Was well cored?  No  Yes (Submit copy)  
 Was DST run?  No  Yes (Submit copy)  
 Directional Survey?  No  Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 20"       | 14"        | 36.7#       |          | 40'         |                      | 28 SX                       |                   |             |               |
| 12 1/4"   | 9 5/8"     | 32.3#       |          | 2050'       |                      | 558 SX                      |                   |             |               |
| 7 7/8"    | 4 1/2"     | 11.6#       |          | 8475'       |                      | 1720 SX                     |                   |             |               |

24. Tubing Record

| Size   | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Set (MD) |
|--------|----------------|-------------------|------|----------------|-------------------|------|----------------|-----------------|
| 2 3/8" | 7400'          |                   |      |                |                   |      |                |                 |

25. Producing Intervals

| Formation    | Top   | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|--------------|-------|--------|---------------------|------|-----------|--------------|
| A) WASATCH   | 4820' | 6266'  | 4820'-6266'         | 0.36 | 124       | OPEN         |
| B) MESAVERDE | 6659' | 8362'  | 6659'-8362'         | 0.36 | 217       | OPEN         |
| C)           |       |        |                     |      |           |              |
| D)           |       |        |                     |      |           |              |

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

| Depth Interval | Amount and type of Material                        |
|----------------|--|
| 4820'-6266'    | PMP 1808 BBLs SLICK H2O & 68,160# 30/50 JORDAN SD  |
| 6659'-8362'    | PMP 8035 BBLs SLICK H2O & 260,300# 30/50 JORDAN SD |

**RECEIVED**  
**JAN 22 2007**  
 DIV. OF OIL, GAS & MINING

28. Production - Interval A

| Date First Produced | Test Date               | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity        | Production Method |
|---------------------|-------------------------|--------------|-----------------|---------|---------|-----------|-----------------------|--------------------|-------------------|
| 12/24/06            | 01/01/07                | 24           | →               | 2       | 2,195   | 240       |                       |                    | FLOWS FROM WELL   |
| Choke Size          | Tbg. Press. Flwg. 1294# | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Well Status        |                   |
| 19/64               | SI                      | 2050#        | →               | 2       | 2195    | 240       |                       | PRODUCING GAS WELL |                   |

28a. Production - Interval B

| Date First Produced | Test Date               | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity        | Production Method |
|---------------------|-------------------------|--------------|-----------------|---------|---------|-----------|-----------------------|--------------------|-------------------|
| 12/24/06            | 01/01/07                | 24           | →               | 2       | 2195    | 240       |                       |                    | FLOWS FROM WELL   |
| Choke Size          | Tbg. Press. Flwg. 1294# | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Well Status        |                   |
| 19/64               | SI                      | 2050#        | →               | 2       | 2195    | 240       |                       | PRODUCING GAS WELL |                   |

(See instructions and spaces for additional data on reverse side)

28b. Production - Interval C

|                     |                      |              |                      |         |         |           |                       |             |                   |
|---------------------|----------------------|--------------|----------------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Date First Produced | Test Date            | Hours Tested | Test Production<br>→ | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate<br>→     | Oil BBL | Gas MCF | Water BBL | Gas : Oil Ratio       | Well Status |                   |

28c. Production - Interval D

|                     |                      |              |                      |         |         |           |                       |             |                   |
|---------------------|----------------------|--------------|----------------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Date First Produced | Test Date            | Hours Tested | Test Production<br>→ | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate<br>→     | Oil BBL | Gas MCF | Water BBL | Gas : Oil Ratio       | Well Status |                   |

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

**SOLD**

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation            | Top            | Bottom | Descriptions, Contents, etc. | Name | Top         |
|----------------------|----------------|--------|------------------------------|------|-------------|
|                      |                |        |                              |      | Meas. Depth |
| WASATCH<br>MESAVERDE | 3978'<br>6487' | 6487'  |                              |      |             |

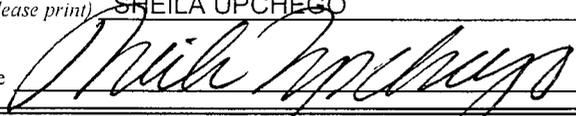
32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

- 1. Electrical/Mechanical Logs (1 full set req'd.)
- 2. Geologic Report
- 3. DST Report
- 4. Directional Survey
- 5. Sundry Notice for plugging and cement verification
- 5. Core Analysis
- 7. Other:

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) SHEILA UPCHEGO Title SENIOR LAND ADMIN SPECIALIST

Signature  Date 1/18/2007

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.